

FIRST EXTRAORDINARY SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 8
96TH GENERAL ASSEMBLY

0031L.15C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.115, 99.1205, 135.090, 135.313, 135.326, 135.327, 135.350, 135.352, 135.484, 135.535, 135.562, 135.575, 135.630, 135.647, 135.700, 135.825, 135.1150, 143.119, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.1878, and 620.1881, RSMo, and to enact in lieu thereof forty-two new sections relating to taxation, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 32.115, 99.1205, 135.090, 135.313, 135.326, 135.327, 135.350, 135.352, 135.484, 135.535, 135.562, 135.575, 135.630, 135.647, 135.700, 135.825, 135.1150, 143.119, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.1878, and 620.1881, RSMo, are repealed and forty-two new sections enacted in lieu thereof, to be known as sections 32.115, 67.2050, 67.3000, 67.3005, 99.1205, 135.090, 135.326, 135.327, 135.350, 135.352, 135.484, 135.535, 135.562, 135.630, 135.647, 135.700, 135.825, 135.1150, 135.1180, 135.1500, 135.1507, 135.1509, 135.1511, 135.1519, 135.1521, 144.810, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 447.708, 620.800, 620.803, 620.806, 620.809, 620.1878, and 620.1881, to read as follows:

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
5 148.030;
6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
7 (4) The tax on other financial institutions in chapter 148;
8 (5) The corporation franchise tax in chapter 147;
9 (6) The state income tax in chapter 143; and
10 (7) The annual tax on gross receipts of express companies in chapter 153.
11 2. For proposals approved pursuant to section 32.110:
12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
13 contributed during the taxable year by the business firm or, in the case of a financial institution,
14 where applicable, during the relevant income period in programs approved pursuant to section
15 32.110;
16 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
17 percent may be allowed for contributions to programs where activities fall within the scope of
18 special program priorities as defined with the approval of the governor in regulations
19 promulgated by the director of the department of economic development;
20 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
21 contributions to programs located in any community shall be equal to seventy percent of the total
22 amount contributed where such community is a city, town or village which has fifteen thousand
23 or less inhabitants as of the last decennial census and is located in a county which is either
24 located in:
25 (a) An area that is not part of a standard metropolitan statistical area;
26 (b) A standard metropolitan statistical area but such county has only one city, town or
27 village which has more than fifteen thousand inhabitants; or
28 (c) A standard metropolitan statistical area and a substantial number of persons in such
29 county derive their income from agriculture. Such community may also be in an unincorporated
30 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no
31 case shall the total economic benefit of the combined federal and state tax savings to the taxpayer
32 exceed the amount contributed by the taxpayer during the tax year;
33 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
34 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000
35 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
36 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty
37 percent credit of the total amount contributed. Regulations establishing special program
38 priorities are to be promulgated during the first month of each fiscal year and at such times
39 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty

40 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
41 shall be approved for any bank, bank and trust company, insurance company, trust company,
42 national bank, savings association, or building and loan association for activities that are a part
43 of its normal course of business. Any tax credit not used in the period the contribution was made
44 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
45 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,
46 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to
47 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
48 million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are
49 not approved, then the remaining credits may be used for programs approved pursuant to sections
50 32.100 to 32.125;

51 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
52 limited if community services, crime prevention, education, job training, physical revitalization
53 or economic development, as defined by section 32.105, is rendered in an area defined by federal
54 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
55 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
56 community services, crime prevention, education, job training, physical revitalization or
57 economic development is limited to impoverished persons.

58 3. For proposals approved pursuant to section 32.111:

59 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
60 invested in affordable housing assistance activities or market rate housing in distressed
61 communities as defined in section 135.530 by a business firm. Whenever such investment is
62 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits
63 may be claimed only where the loan or equity investment is accompanied by a donation which
64 is eligible for federal income tax charitable deduction, and where the total value of the tax credits
65 herein plus the value of the federal income tax charitable deduction is less than or equal to the
66 value of the donation. Any tax credit not used in the period for which the credit was approved
67 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been
68 allowed. If the affordable housing units or market rate housing units in distressed communities
69 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax
70 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated
71 basis in proportion to the ratio of the number of square feet devoted to the affordable housing
72 units or market rate housing units in distressed communities, for purposes of determining the
73 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant
74 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,
75 to be increased by no more than two million dollars each succeeding fiscal year, until the total
76 tax credits that may be approved reaches ten million dollars in any fiscal year;

77 (2) For any year during the compliance period indicated in the land use restriction
78 agreement, the owner of the affordable housing rental units for which a credit is being claimed
79 shall certify to the commission that all tenants renting claimed units are income eligible for
80 affordable housing units and that the rentals for each claimed unit are in compliance with the
81 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
82 the records and accounts of the owner to verify such certification;

83 (3) In the case of owner-occupied affordable housing units, the qualifying owner
84 occupant shall, before the end of the first year in which credits are claimed, certify to the
85 commission that the occupant is income eligible during the preceding two years, and at the time
86 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
87 certify to the commission, before the end of the first year in which credits are claimed, that
88 during the compliance period indicated in the land use restriction agreement, the cost of the
89 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
90 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
91 acquiring the affordable housing unit during the compliance period indicated in the land use
92 restriction agreement shall make the same certification;

93 (4) If at any time during the compliance period the commission determines a project for
94 which a proposal has been approved is not in compliance with the applicable provisions of
95 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
96 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
97 owner, or seek legal damages against the owner representing the value of the tax credits, or
98 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
99 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
100 credits allowed herein. The commission shall remit to the director of revenue the portion of the
101 legal damages collected or the sale proceeds representing the value of the tax credits. However,
102 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
103 tax credits shall not be revoked.

104 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall
105 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by
106 business firms. Any tax credit not used in the period for which the credit was approved may be
107 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.
108 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall
109 not exceed one million dollars for each fiscal year.

110 5. The total amount of tax credits used for market rate housing in distressed communities
111 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all
112 tax credits authorized pursuant to sections 32.111 and 32.112.

113 **6. Notwithstanding any provision of law to the contrary, no tax credits provided**
114 **under the development tax credit program created pursuant to sections 32.100 to 32.125**
115 **shall be authorized on or after the effective date of this act. The provisions of this**
116 **subsection shall not be construed to limit or impair the department's ability to issue tax**
117 **credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem**
118 **such tax credits.**

67.2050. 1. As used in this section, unless the context clearly indicates otherwise,
2 **the following terms shall mean:**

3 **(1) "Facility", a location composed of real estate, buildings, fixtures, machinery,**
4 **and equipment;**

5 **(2) "Municipality", any county, city, incorporated town, or village of the state;**

6 **(3) "NAICS", the 2007 edition of the North American Industry Classification**
7 **System developed under the direction and guidance of the federal Office of Management**
8 **and Budget. Any NAICS sector, subsector, industry group, or industry identified in this**
9 **section shall include its corresponding classification in previous and subsequent federal**
10 **industry classification systems;**

11 **(4) "Technology business facility", a facility purchased, constructed, extended, or**
12 **improved under this section, provided that such business facility is engaged in:**

13 **(a) Wired telecommunications carriers (NAICS 517110);**

14 **(b) Data processing, hosting, and related services (NAICS 518210); or**

15 **(c) Internet publishing and broadcasting and web search portals (NAICS 519130),**
16 **at the business facility;**

17 **(5) "Technology business facility project" or "project", the purchase, construction,**
18 **extension, and improvement of technology business facilities, whether of the facility as a**
19 **whole or of any one or more of the facility's components of real estate, buildings, fixtures,**
20 **machinery, and equipment.**

21 **2. The governing body of any municipality may:**

22 **(1) Carry out technology business facility projects for economic development under**
23 **this section;**

24 **(2) Accept grants from the federal and state governments for technology business**
25 **facility project purposes, and may enter into such agreements as are not contrary to the**
26 **laws of this state and which may be required as a condition of grants by the federal**
27 **government or its agencies; and**

28 **(3) Receive gifts and donations from private sources to be used for technology**
29 **business facility project purposes.**

30 **3. The governing body of the municipality may enter into loan agreements, sell,**
31 **lease, or mortgage to private persons, partnerships, or corporations any one or more of the**

32 components of a facility received, purchased, constructed, or extended by the municipality
33 for development of a technology business facility project. The loan agreement, installment
34 sale agreement, lease, or other such document shall contain such other terms as are agreed
35 upon between the municipality and the obligor, provided that such terms shall be
36 consistent with this section. When, in the judgment of the governing body of the
37 municipality, the technology business facility project will result in economic benefits to the
38 municipality, the governing body may lawfully enter into an agreement that includes
39 nominal monetary consideration to the municipality in exchange for the use of one or more
40 components of the facility.

41 4. Transactions involving the lease or rental of any components of a project under
42 this section shall be specifically exempted from the provisions of the local sales tax law as
43 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
44 144.761, and from the computation of the tax levied, assessed, or payable under the local
45 sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525
46 and 144.600 to 144.745.

47 5. Leasehold interests granted and held under this section shall not be subject to
48 property taxes.

49 6. Any payments in lieu of taxes expected to be made by any lessee of the project
50 shall be applied in accordance with this section. The lessee may reimburse the municipality
51 for its actual costs of administering the plan. All amounts paid in excess of such actual
52 costs shall, immediately upon receipt thereof, be disbursed by the municipality's treasurer
53 or other financial officer to each affected taxing entity in proportion to the current ad
54 valorem tax levy of each affected taxing entity.

55 7. The county assessor shall include the current assessed value of all property
56 within the affected taxing entities in the aggregate valuation of assessed property entered
57 upon the assessor's book and verified under section 137.245, and such value shall be used
58 for the purpose of the debt limitation on local government under section 26(b), article VI,
59 Constitution of Missouri.

60 8. The governing body of any municipality may sell or otherwise dispose of the
61 property, buildings, or plants acquired under this section to private persons or
62 corporations for technology business facility project purposes upon approval by the
63 governing body. The terms and method of the sale or other disposal shall be established
64 by the governing body so as to reasonably protect the economic well-being of the
65 municipality and to promote the development of technology business facility projects. A
66 private person or corporation that initially transfers property to the municipality for the
67 purposes of a technology business facility project and does not charge a purchase price to

68 the municipality shall retain the right, upon request to the municipality, to have the
69 municipality retransfer the donated property to the person or corporation at no cost.

70 9. The provisions of this section shall not be construed to allow political
71 subdivisions to provide telecommunications services or telecommunications facilities to the
72 extent that they are prohibited from doing so by section 392.410.

67.3000. 1. As used in this section and section 67.3005, the following words shall
2 mean:

3 (1) "Active Member", an organization located in the state of Missouri, which
4 solicits and services sports events, sports organizations, and other types of sports-related
5 activities in that community;

6 (2) "Applicant" or "applicants", one or more certified sponsors, endorsing
7 counties, endorsing municipalities, or a local organizing committee, acting individually or
8 collectively;

9 (3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is
10 an active member of the National Association of Sports Commissions;

11 (4) "Department", the Missouri department of economic development;

12 (5) "Director", the director of revenue;

13 (6) "Eligible costs", shall include:

14 (a) Costs necessary for conducting the sporting event;

15 (b) Costs relating to the preparations necessary for the conduct of the sporting
16 event; and

17 (c) An applicant's pledged obligations to the site selection organization as evidenced
18 by the support contract for the sporting event.

19

20 Eligible costs shall not include any cost associated with the rehabilitation or construction
21 of any facilities used to host the sporting event, but may include costs associated with the
22 retrofitting of a facility necessary to accommodate the sporting event and direct payments
23 to a for-profit site selection organization;

24 (7) "Eligible donation", donations received, by a certified sponsor or local
25 organizing committee, from a taxpayer that may include cash, publically traded stocks and
26 bonds, and real estate that will be valued and documented according to rules promulgated
27 by the department. Such donations shall be used solely to provide funding to attract
28 sporting events to this state;

29 (8) "Endorsing municipality" or "endorsing municipalities", any city, town,
30 incorporated village, or county that contains a site selected by a site selection organization
31 for one or more sporting events;

32 (9) "Joinder agreement", an agreement entered into by one or more applicants,
33 acting individually or collectively, and a site selection organization setting out
34 representations and assurances by each applicant in connection with the selection of a site
35 in this state for the location of a sporting event;

36 (10) "Joinder undertaking", an agreement entered into by one or more applicants,
37 acting individually or collectively, and a site selection organization that each applicant will
38 execute a joinder agreement in the event that the site selection organization selects a site
39 in this state for a sporting event;

40 (11) "Local organizing committee", a nonprofit corporation or its successor in
41 interest that:

42 (a) Has been authorized by one or more certified sponsors, endorsing
43 municipalities, or endorsing counties, acting individually or collectively, to pursue an
44 application and bid on its or the applicant's behalf to a site selection organization for
45 selection as the site of one or more sporting events; or

46 (b) With the authorization of one or more certified sponsors, endorsing
47 municipalities, or endorsing counties, acting individually or collectively, executes an
48 agreement with a site selection organization regarding a bid to host one or more sporting
49 events;

50 (12) "Site selection organization", the National Collegiate Athletic Association
51 (NCAA); an NCAA member conference, university, or institution; the National Association
52 of Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a
53 national governing body (NGB) or international federation of a sport recognized by the
54 USOC; the United States Golf Association (USGA); the United States Tennis Association
55 (USTA); the Amateur Softball Association of America (ASA); other major regional,
56 national, and international sports associations, and amateur organizations that promote,
57 organize, or administer sporting games, or competitions; or other major regional, national,
58 and international organizations that promote or organize sporting events;

59 (13) "Sporting event" or "sporting events", an amateur sporting event that is
60 competitively bid;

61 (14) "Support contract" or "support contracts", an event award notification,
62 joinder undertaking, joinder agreement, or contract executed by an applicant and a site
63 selection organization;

64 (15) "Tax credit" or "tax credits", a credit or credits issued by the department
65 against the tax otherwise due under chapter 143 or 148, excluding withholding tax imposed
66 by sections 143.191 to 143.265;

67 (16) "Taxpayer", any of the following individuals or entities who make an eligible
68 donation:

69 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
70 corporation doing business in the state of Missouri and subject to the state income tax
71 imposed in chapter 143;

72 (b) A corporation subject to the annual corporation franchise tax imposed in
73 chapter 147;

74 (c) An insurance company paying an annual tax on its gross premium receipts in
75 this state;

76 (d) Any other financial institution paying taxes to the state of Missouri or any
77 political subdivision of this state under chapter 148;

78 (e) An individual subject to the state income tax imposed in chapter 143;

79 (f) Any charitable organization which is exempt from federal income tax and whose
80 Missouri unrelated business taxable income, if any, would be subject to the state income
81 tax imposed under chapter 143.

82 2. An applicant may submit a copy of a support contract for a sporting event to the
83 department. Within sixty days of receipt of the sporting event support contract, the
84 department may review the applicant's support contract and certify such support contract
85 if it complies with the requirements of this section. Upon certification of the support
86 contract by the department, the applicant may be authorized to receive the tax credit under
87 subsection 4 of this section.

88 3. No more than thirty days following the conclusion of the sporting event, the
89 applicant shall submit eligible costs and documentation of the costs evidenced by receipts,
90 paid invoices, or other documentation in a manner prescribed by the department.

91 4. No later than seven days following the conclusion of the sporting event, the
92 department, in consultation with the director, may determine the total number of tickets
93 sold at face value for such event. No later than sixty days following the receipt of eligible
94 costs and documentation of such costs from the applicant as required in subsection 3 of this
95 section, the department may issue a refundable tax credit to the applicant for the lesser of
96 one hundred percent of eligible costs incurred by the applicant or an amount equal to five
97 dollars for every admission ticket sold to such event. Tax credits authorized by this section
98 may be claimed against taxes imposed by chapters 143 and 148 and shall be claimed within
99 one year of the close of the taxable year for which the credits were issued. Tax credits
100 authorized by this section may be transferred, sold, or assigned by filing a notarized
101 endorsement thereof with the department that names the transferee, the amount of tax
102 credit transferred, and the value received for the credit, as well as any other information
103 reasonably requested by the department.

104 5. In no event shall the amount of tax credits issued by the department under
105 subsection 4 of this section exceed three million dollars in any fiscal year.

106 **6. An applicant shall provide any information necessary as determined by the**
107 **department for the department and the director to fulfill the duties required by this**
108 **section. At any time upon the request of the state of Missouri, a certified sponsor shall**
109 **subject itself to an audit conducted by the state.**

110 **7. This section shall not be construed as creating or requiring a state guarantee of**
111 **obligations imposed on an endorsing municipality under a support contract or any other**
112 **agreement relating to hosting one or more sporting events in this state.**

113 **8. The department shall only certify an applicant's support contract for a sporting**
114 **event in which the site selection organization has yet to select a location for the sporting**
115 **event as of the effective date of this act. Support contracts shall not be certified by the**
116 **department after August 28, 2017, provided that the support contracts may be certified**
117 **prior to August 28, 2017, for sporting events that will be held after such date.**

118 **9. The department may promulgate rules as necessary to implement the provisions**
119 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that**
120 **is created under the authority delegated in this section shall become effective only if it**
121 **complies with and is subject to all of the provisions of chapter 536, and, if applicable,**
122 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
123 **vested with the general assembly pursuant to chapter 536, to review, to delay the effective**
124 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
125 **grant of rulemaking authority and any rule proposed or adopted after the effective date**
126 **of this act shall be invalid and void.**

67.3005. 1. For all taxable years beginning on or after January 1, 2011, any
2 taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147,
3 or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount
4 equal to fifty percent of the amount of an eligible donation, subject to the restrictions in
5 this section. The amount of the tax credit claimed shall not exceed the amount of the
6 taxpayer's state income tax liability in the tax year for which the credit is claimed. Any
7 amount of credit that the taxpayer is prohibited by this section from claiming in a tax year
8 shall not be refundable, but may be carried forward to any of the taxpayer's four
9 subsequent taxable years.

10 **2. To claim the credit authorized in this section, a certified sponsor or local**
11 **organizing committee shall submit to the department an application for the tax credit**
12 **authorized by this section on behalf of taxpayers. The department shall verify that the**
13 **applicant has submitted the following items accurately and completely:**

14 **(1) A valid application in the form and format required by the department;**

15 **(2) A statement attesting to the eligible donation received, which shall include the**
16 **name and taxpayer identification number of the individual making the eligible donation,**
17 **the amount of the eligible donation, and the date the eligible donation was received; and**

18 **(3) Payment from the certified sponsor or local organizing committee equal to the**
19 **value of the tax credit for which application is made.**

20
21 **If the certified sponsor or local organizing committee applying for the tax credit meets all**
22 **criteria required by this subsection, the department shall issue a certificate in the**
23 **appropriate amount.**

24 **3. Tax credits issued under this section may be assigned, transferred, sold, or**
25 **otherwise conveyed, and the new owner of the tax credit shall have the same rights in the**
26 **credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise**
27 **conveyed, a notarized endorsement shall be filed with the department specifying the name**
28 **and address of the new owner of the tax credit or the value of the credit. In no event shall**
29 **the amount of tax credits issued by the department under this section exceed ten million**
30 **dollars in any fiscal year.**

31 **4. The department shall promulgate rules to implement the provisions of this**
32 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
33 **created under the authority delegated in this section shall become effective only if it**
34 **complies with and is subject to all of the provisions of chapter 536, and, if applicable,**
35 **section 536.028. This section and chapter 536, are nonseverable and if any of the powers**
36 **vested with the general assembly pursuant to chapter 536, to review, to delay the effective**
37 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
38 **grant of rulemaking authority and any rule proposed or adopted after the effective date**
39 **of this act shall be invalid and void.**

40 **5. Under section 23.253 of the Missouri sunset act:**

41 **(1) The provisions of the new program authorized under this section shall**
42 **automatically sunset six years after the effective date of this act, unless reauthorized by an**
43 **act of the general assembly; and**

44 **(2) If such program is reauthorized, the program authorized under this section**
45 **shall automatically sunset twelve years after the effective date of the reauthorization of this**
46 **section; and (3) This section shall terminate on September first of the calendar year**
47 **immediately following the calendar year in which the program authorized under this**
48 **section is sunset.**

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land
2 Assemblage Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant
6 structures **or any portion thereof, engineering costs, attorney's fees, architectural and**
7 **planning costs**, and reasonable maintenance costs incurred to maintain an acquired eligible
8 parcel [for a period of five years after the acquisition of such eligible parcel]. Acquisition costs
9 shall not include costs for title insurance and survey, [attorney's fees,] relocation costs, fines, or
10 bills from a municipality;

11 (2) "Applicant", any person, firm, partnership, trust, limited liability company, or
12 corporation which has:

13 (a) Incurred, within an eligible project area, acquisition costs for the acquisition of land
14 sufficient to satisfy the requirements under subdivision (8) of this subsection; and

15 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal
16 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop
17 an urban renewal area or a redevelopment area that includes all of an eligible project area or
18 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project
19 area, has been approved or adopted under an economic incentive law. In addition to being
20 designated the redeveloper, the applicant shall have been designated to receive economic
21 incentives only after the municipal authority has considered the amount of the tax credits in
22 adopting such economic incentives as provided in subsection 8 of this section **unless such**
23 **economic incentives were approved for an eligible project area qualified as such under**
24 **subparagraph c. of paragraph (b) of subdivision (8) of this subsection.** The redevelopment
25 agreement shall provide that[:

26 a.] the funds generated through the use or sale of the tax credits issued under this section
27 shall be used to redevelop the eligible project area[;

28 b.] . **Additionally, except for projects in eligible project areas qualified as such**
29 **under subparagraph c. of paragraph (b) of subdivision (8) of this subsection, the**
30 **redemption agreement shall provide that:**

31 a. No more than seventy-five percent of the urban renewal area identified in the urban
32 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped
33 by the applicant; and

34 [c.] b. The remainder of the urban renewal area or the redevelopment area shall be
35 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its
36 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

37 (3) "Certificate", a tax credit certificate issued under this section;

38 (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to
39 initiate an action in a court of competent jurisdiction to use the power of eminent domain to
40 acquire a parcel within the eligible project area. Condemnation proceedings shall include any

41 and all actions taken after the submission of a notice of intended acquisition to an owner of a
42 parcel within the eligible project area by a municipal authority or any other person or entity under
43 section 523.250;

44 (5) "Department", the Missouri department of economic development;

45 (6) "Economic incentive laws", any provision of Missouri law pursuant to which
46 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,
47 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment
48 projects approved or adopted which include the use of economic incentives to redevelop the land.
49 Economic incentive laws include, but are not limited to, the land clearance for redevelopment
50 authority law under sections 99.300 to 99.660, the real property tax increment allocation
51 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic
52 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation
53 program under sections 99.1080 to 99.1092;

54 (7) "Eligible parcel", a parcel:

55 (a) Which is located within an eligible project area;

56 (b) Which is to be redeveloped;

57 (c) On which the applicant has not commenced construction prior to November 28,
58 2007;

59 (d) Which has been acquired without the commencement of any condemnation
60 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel
61 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

62 (e) On which all outstanding taxes, fines, and bills levied by municipal governments that
63 were levied by the municipality during the time period that the applicant held title to the eligible
64 parcel have been paid in full;

65 (8) "Eligible project area", an area which shall have satisfied the following requirements:

66 (a) The eligible project area shall consist of at least seventy-five acres and may include
67 parcels within its boundaries that do not constitute an eligible parcel;

68 (b) At least eighty percent of the eligible project area shall be located within:

69 **a. A Missouri qualified census tract area, as designated by the United States Department**
70 **of Housing and Urban Development under 26 U.S.C. Section 42[, or within] ; or**

71 **b. A distressed community as that term is defined in section 135.530; or**

72 **c. A redevelopment area as that term is defined under the real property tax**
73 **increment allocation redevelopment act under sections 99.800 to 99.865 that:**

74 **(i) Contains at least three hundred acres of real property;**

75 **(ii) Includes or previously included in excess of one million square feet of**
76 **commercial building space;**

77 **(iii) Contains eighty or more parcels; and**

(iv) **Is located within a low-income community as defined by 26 U.S.C. Section 45D as of January 1, 2011;**

(c) The eligible parcels acquired by the applicant within the eligible project area shall total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

(d) **Other than in eligible project areas qualified as such under subparagraph c. of paragraph (b) of this subdivision,** the average number of parcels per acre in an eligible project area shall be four or more;

(e) Less than five percent of the acreage within the boundaries of the eligible project area shall consist of owner-occupied residences which the applicant has identified for acquisition under the urban renewal plan or the redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section on the date of the approval or adoption of such plan;

(9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include attorney's fees;

(10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds;

(11) "Municipal authority", any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(12) "Municipality", any city, town, village, or county;

(13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(15) "Redevelopment agreement", the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section; and such appointment or selection shall have been approved by an ordinance of the governing body of the municipality, or municipalities, or in the case of any city not within a county, the board of aldermen, in which the eligible project area is located. The redevelopment agreement shall include a time line for redevelopment of the eligible project area. The redevelopment agreement shall state that the named developer shall be subject to the provisions of chapter 290.

114 3. **Subject to the limitations provided in subsection 7 of this section**, any applicant
115 shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148,
116 except for sections 143.191 to 143.265, in an amount equal to fifty percent of the acquisition
117 costs; **except that, the tax credit for reasonable demolition costs shall be in an amount equal**
118 **to one hundred percent of such costs**, and one hundred percent of the interest costs incurred
119 [for a period of five years] after the acquisition of an eligible parcel. [No tax credits shall be
120 issued under this section until after January 1, 2008.]

121 4. If the amount of such tax credit exceeds the total tax liability for the year in which the
122 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be
123 carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the
124 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall
125 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants
126 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits
127 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners
128 of property shall be passed through to the partners, members, or owners respectively pro rata or
129 pursuant to an executed agreement among the partners, members, or owners documenting an
130 alternate distribution method.

131 5. A purchaser, transferee, or assignee of the tax credits authorized under this section
132 may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise
133 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller,
134 transferor, or assignor shall perfect such transfer by notifying the department in writing within
135 thirty calendar days following the effective date of the transfer and shall provide any information
136 as may be required by the department to administer and carry out the provisions of this section.

137 6. To claim tax credits authorized under this section, an applicant shall submit to the
138 department an application for a certificate. An applicant shall identify the boundaries of the
139 eligible project area in the application. The department shall verify that the applicant has
140 submitted a valid application in the form and format required by the department. The department
141 shall verify that the municipal authority held the requisite hearings and gave the requisite notices
142 for such hearings in accordance with the applicable economic incentive act, and municipal
143 ordinances. On [an annual] **a quarterly** basis, an applicant may file for the tax credit for the
144 acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this
145 section. If an applicant applying for the tax credit meets the criteria required under this section,
146 the department shall issue a certificate in the appropriate amount. If an applicant receives a tax
147 credit for maintenance costs as a part of the applicant's acquisition costs, the department shall
148 post on its internet website the amount and type of maintenance costs and a description of the
149 redevelopment project for which the applicant received a tax credit within thirty days after the
150 department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued under this section exceed [twenty] **thirty** million dollars. If the tax credits that are to be issued under this section exceed, in any year, the [twenty] **thirty** million dollar limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of [twenty] **thirty** million dollars, if there is only one applicant entitled to receive tax credits in that year; or

(2) **(a)** Issue the tax credits [on a pro rata basis] to all applicants entitled to receive tax credits in that year **as provided in this subdivision. The department shall determine on an ongoing basis during the course of each calendar year the amount of tax credits that have been issued to each applicant for each eligible project area during such year, and the amount of tax credits remaining available for issuance with respect to such calendar year, if any.**

(b) Applicants applying for tax credits with respect to projects located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section shall not, in the aggregate, be issued tax credits in excess of fifty percent of the annual thirty million dollar limitation with respect to such calendar year. If more than one applicant qualifies for issuance of tax credits under the preceding sentence in a given calendar year, such tax credits shall be issued on a pro rata basis. Applicants applying for tax credits with respect to projects located in any other eligible project areas shall not, in the aggregate, be issued tax credits in excess of fifty percent of the annual thirty million dollar limitation with respect to such calendar year. If more than one applicant qualifies for issuance of tax credits under the preceding sentence in a given calendar year, such tax credits shall be issued on a pro rata basis.

(c) In the event that the department determines, as of December fifteenth of a given calendar year, that the full amount of tax credits available for such calendar year under paragraph (b) of this subdivision with respect to projects located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section, was not issued, then the department shall make available for allocation to qualifying applicants with respect to projects located in any other eligible project areas, the unissued amount of such tax credits. In the event that the department determines, as of December fifteenth of a given calendar year, that the full amount of tax credits available for such calendar year under paragraph (b) of this subdivision with respect to projects not located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section, was not issued, then the department shall make available for allocation to qualifying applicants with respect to projects located in

187 **eligible project areas in which qualified as such under subparagraph c. of paragraph (b)**
188 **of subdivision (8) of subsection 2 of this section, the unissued amount of such tax credits.**

189 (d) Any amount of tax credits, which an applicant is, or applicants are, entitled to receive
190 on an annual basis and are not issued due to the [twenty] **thirty** million dollar limitation, shall
191 be carried forward for the benefit of the applicant or applicants to subsequent years. No tax
192 credits provided under this section shall be authorized after August 28, [2013] **2016**. Any tax
193 credits which have been authorized on or before August 28, [2013] **2016**, but not issued, may be
194 issued, subject to the limitations provided under this subsection, until all such authorized tax
195 credits have been issued.

196 8. Upon issuance of any tax credits pursuant to this section, the department shall report
197 to the municipal authority the applicant's name and address, the parcel numbers of the eligible
198 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for
199 which tax credits were issued, and the total value of the tax credits issued. The municipal
200 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but
201 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created
202 for the purpose of awarding other economic incentives. The amount of the tax credits shall not
203 be considered an applicant's cost in the evaluation of the amount of any award of any other
204 economic incentives, but shall be considered in measuring the reasonableness of the rate of
205 return to the applicant with respect to such award of other economic incentives. The municipal
206 authority shall provide the report to any relevant commission, board, or entity responsible for the
207 evaluation and recommendation or approval of other economic incentives to assist in the
208 redevelopment of the eligible project area. Tax credits authorized under this section shall
209 constitute redevelopment tax credits, as such term is defined under section 135.800, and shall
210 be subject to all provisions applicable to redevelopment tax credits provided under sections
211 135.800 to 135.830.

212 9. The department may promulgate rules to implement the provisions of this section.
213 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
214 authority delegated in this section shall become effective only if it complies with and is subject
215 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
216 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
217 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
218 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
219 or adopted after August 28, 2007, shall be invalid and void.

135.090. 1. As used in this section, the following terms mean:

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not
3 exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as

4 a home. As used in this section, "homestead" shall not include any dwelling which is occupied
5 by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police officer, parole
7 officer, probation officer, correctional employee, water patrol officer, park ranger, conservation
8 officer, commercial motor **vehicle** enforcement officer, emergency medical technician, first
9 responder, or highway patrolman employed by the state of Missouri or a political subdivision
10 thereof who is killed in the line of duty, unless the death was the result of the officer's own
11 misconduct or abuse of alcohol or drugs;

12 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

13 2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be
14 allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
15 imposed by sections 143.191 to 143.265, in an amount equal to the total amount of the property
16 taxes on the surviving spouse's homestead paid during the tax year for which the credit is
17 claimed. A surviving spouse may claim the credit authorized under this section for each tax year
18 beginning the year of death of the public safety officer spouse until the tax year in which the
19 surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving
20 spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other
21 credits, then the excess shall be considered an overpayment of the income tax.

22 3. The department of revenue shall promulgate rules to implement the provisions of this
23 section.

24 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
25 under the authority delegated in this section shall become effective only if it complies with and
26 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
27 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
28 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
29 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
30 proposed or adopted after August 28, 2007, shall be invalid and void.

31 5. [Pursuant to section 23.253 of the Missouri sunset act:

32 (1) The provisions of the new program authorized under this section shall automatically
33 sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

34 (2) If such program is reauthorized, the program authorized under this section shall
35 automatically sunset twelve years after the effective date of the reauthorization of this section;
36 and

37 (3) This section shall terminate on September first of the calendar year immediately
38 following the calendar year in which the program authorized under this section is sunset.]

39 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**

40 **authorized under this section are hereby reauthorized and shall automatically sunset on**
41 **August 28, 2015.**

135.326. As used in sections 135.325 to 135.339, the following terms shall mean:

2 (1) "Business entity", person, firm, a partner in a firm, corporation or a shareholder in
3 an S corporation doing business in the state of Missouri and subject to the state income tax
4 imposed by the provisions of chapter 143, or a corporation subject to the annual corporation
5 franchise tax imposed by the provisions of chapter 147, or an insurance company paying an
6 annual tax on its gross premium receipts in this state, or other financial institution paying taxes
7 to the state of Missouri or any political subdivision of this state under the provisions of chapter
8 148, or an express company which pays an annual tax on its gross receipts in this state pursuant
9 to chapter 153;

10 (2) "Handicap", a mental, physical, or emotional impairment that substantially limits one
11 or more major life activities, whether the impairment is congenital or acquired by accident, injury
12 or disease, and where the impairment is verified by medical findings;

13 (3) "Nonrecurring adoption expenses", reasonable and necessary adoption fees, court
14 costs, attorney fees, and other expenses which are directly related to the legal adoption of a
15 special needs child and which are not incurred in violation of federal, state, or local law.
16 **"Nonrecurring adoption expenses" shall not include expenses incurred as a result of an**
17 **international adoption;**

18 (4) "Special needs child", a child for whom it has been determined by the division of
19 family services, or by a child-placing agency licensed by the state, or by a court of competent
20 jurisdiction to be a child:

21 (a) That cannot or should not be returned to the home of his or her parents; and

22 (b) Who has a specific factor or condition such as ethnic background, age, membership
23 in a minority or sibling group, medical condition, or handicap because of which it is reasonable
24 to conclude that such child cannot be easily placed with adoptive parents;

25 (5) "State tax liability", any liability incurred by a taxpayer under the provisions of
26 chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to
27 the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

135.327. 1. As used in this section, the following terms shall mean:

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate
3 fund established under section 476.777, including an association based in this state, affiliated
4 with a national association, organized to provide support to entities receiving funding from the
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection
7 2 of section 210.001;

8 (3) "Contribution", amount of donation to qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care
10 for children whose age ranges from birth through seventeen years of age whose parents or
11 guardian are experiencing an unexpected and unstable or serious condition that requires
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of the department of revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under
18 sections 143.191 to 143.265.

19 2. Any person residing in this state who legally adopts a special needs child on or after
20 January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten
21 thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied
22 to taxes due under chapter 143. Any business entity providing funds to an employee to enable
23 that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up
24 to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be
25 applied to taxes due under such business entity's state tax liability, except that only one ten
26 thousand dollar credit is available for each special needs child that is adopted.

27 3. Any person residing in this state who proceeds in good faith with the adoption of a
28 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
29 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
30 taxes due under chapter 143; provided, however, that beginning on or after July 1, 2004, two
31 million dollars of the tax credits allowed shall be allocated for the adoption of special needs
32 children who are residents or wards of residents of this state at the time the adoption is initiated.
33 Any business entity providing funds to an employee to enable that employee to proceed in good
34 faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to
35 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
36 taxes due under such business entity's state tax liability, except that only one ten thousand dollar
37 credit is available for each special needs child that is adopted.

38 4. Individuals and business entities may claim a tax credit for their total nonrecurring
39 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
40 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
41 percent shall be allowed when the adoption is final. The total of these tax credits shall not
42 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
43 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
44 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
45 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for

46 nonrecurring adoption expenses shall not be more than four million dollars but may be increased
47 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
48 by December thirty-first following each July, if less than two million dollars in credits have been
49 issued for adoption of special needs children who are not residents or wards of residents of this
50 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
51 the adoption of special needs children who are residents or wards of residents of this state at the
52 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
53 to claim the adoption tax credit for special needs children who are residents or wards of residents
54 of this state at the time the adoption is initiated shall be filed between July first and April
55 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
56 to claim the adoption tax credit for special needs children who are not residents or wards of
57 residents of this state at the time the adoption is initiated shall be filed between July first and
58 December thirty-first of each fiscal year.

59 5. Notwithstanding any provision of law to the contrary, any individual or business entity
60 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
61 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
62 sold.

63 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
64 cumulative amount of tax credits authorized in this section is equally apportioned among all
65 taxpayers within the two categories specified in subsection 3 of this section claiming the credit
66 in that fiscal year. To the maximum extent possible, the director of revenue shall establish the
67 procedure described in this subsection in such a manner as to ensure that taxpayers within each
68 category can claim all the tax credits possible up to the cumulative amount of tax credits
69 available for the fiscal year.

70 7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed
71 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
72 be named the children in crisis tax credit. The minimum amount of any tax credit issued shall
73 not be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding
74 sections 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the
75 agency receiving the contribution. Such contribution verification shall include the taxpayer's
76 name, Social Security number, amount of tax credit, amount of contribution, the name and
77 address of the agency receiving the credit, and the date the contribution was made. The tax credit
78 provided under this subsection shall be initially filed for the year in which the verified
79 contribution is made.

80 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed
81 portion of the resident adoption category allocation as described in this section. The director of
82 revenue shall determine the unclaimed portion available. The amount available shall be equally

83 divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers
84 to be used towards tax credits issued. In the event tax credits claimed under one agency do not
85 total the allocated amount for that agency, the unused portion for that agency will be made
86 available to the remaining agencies equally. In the event the total amount of tax credits claimed
87 for any one agency exceeds the amount available for that agency, the amount redeemed shall and
88 will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After
89 all children in crisis tax credits have been claimed, any remaining unclaimed portion of the
90 reserved allocation for adoptions of special needs children who are residents or wards of
91 residents of this state shall then be made available for adoption tax credit claims of special needs
92 children who are not residents or wards of residents of this state at the time the adoption is
93 initiated.

94 9. Prior to December thirty-first of each year, the entities listed under the definition of
95 qualified agency shall apply to the department of social services in order to verify their qualified
96 agency status. Upon a determination that the agency is eligible to be a qualified agency, the
97 department of social services shall provide a letter of eligibility to such agency. No later than
98 February first of each year, the department of social services shall provide a list of qualified
99 agencies to the department of revenue. All tax credit applications to claim the children in crisis
100 tax credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall
101 apply for the children in crisis tax credit by attaching a copy of the contribution verification
102 provided by a qualified agency to such taxpayer's income tax return.

103 10. The tax credits provided under this section shall be subject to the provisions of
104 section 135.333.

105 11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
106 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
107 will not be held liable for any penalty or interest, provided the balance is paid, or approved
108 payment arrangements have been made, within sixty days from the notice of denial.

109 (2) In the event the balance is not paid within sixty days from the notice of denial, the
110 remaining balance shall be due and payable under the provisions of chapter 143.

111 12. The director shall calculate the level of appropriation necessary to issue all tax credits
112 for nonresident special needs adoptions applied for under this section and provide such
113 calculation to the speaker of the house of representatives, the president pro tempore of the senate,
114 and the director of the division of budget and planning in the office of administration by January
115 thirty-first of each year.

116 13. The department may promulgate such rules or regulations as are necessary to
117 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
118 in section 536.010, that is created under the authority delegated in this section shall become
119 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if

120 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
121 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
122 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
123 rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid
124 and void.

125 14. [Pursuant to section 23.253 of the Missouri sunset act:

126 (1) The provisions of the new program authorized under subsections 7 to 12 of this
127 section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act
128 of the general assembly; and

129 (2) If such program is reauthorized, the program authorized under this section shall
130 automatically sunset twelve years after the effective date of the reauthorization of this section;
131 and

132 (3) This section shall terminate on September first of the calendar year immediately
133 following the calendar year in which the program authorized under this section is sunset.]

134 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
135 **authorized under subsections 7 to 12 of this section are hereby reauthorized and shall**
136 **automatically sunset on August 28, 2015.**

135.350. As used in [this section] **sections 135.350 to 135.363**, unless the context clearly
2 requires otherwise, the following words and phrases shall mean:

3 (1) "Commission", the Missouri housing development commission, or its successor
4 agency;

5 (2) "Director", director of the department of revenue;

6 (3) "Eligibility statement", a statement authorized and issued by the commission
7 certifying that a given project qualifies for the Missouri low-income housing tax credit. The
8 commission shall promulgate rules establishing criteria upon which the eligibility statements will
9 be issued. The eligibility statement shall specify the amount of the Missouri low-income housing
10 tax credit allowed. The commission shall only authorize the tax credits to qualified projects
11 which begin after June 18, 1991;

12 (4) **"Federal credit period", the same meaning as is prescribed the term "credit**
13 **period" under section 42 of the 1986 Internal Revenue Code, as amended;**

14 (5) "Federal low-income housing tax credit", the federal tax credit as provided in section
15 42 of the 1986 Internal Revenue Code, as amended;

16 [(5)] (6) "Low-income project", a housing project which has restricted rents that do not
17 exceed thirty percent of median income for at least forty percent of its units occupied by persons
18 of families having incomes of sixty percent or less of the median income, or at least twenty
19 percent of the units occupied by persons or families having incomes of fifty percent or less of the
20 median income;

21 [(6)] (7) "Median income", those incomes which are determined by the federal
22 Department of Housing and Urban Development guidelines and adjusted for family size;

23 [(7)] (8) "Qualified Missouri project", a qualified low-income building as that term is
24 defined in section 42 of the 1986 Internal Revenue Code, as amended, which is located in
25 Missouri;

26 [(8)] (9) "Taxpayer", person, firm or corporation subject to the state income tax imposed
27 by the provisions of chapter 143 (except withholding imposed by sections 143.191 to 143.265)
28 or a corporation subject to the annual corporation franchise tax imposed by the provisions of
29 chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this
30 state, or other financial institution paying taxes to the state of Missouri or any political
31 subdivision of this state under the provisions of chapter 148, or an express company which pays
32 an annual tax on its gross receipts in this state.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject
2 to the limitations provided under the provisions of subsection 3 of this section, be allowed a state
3 tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income
4 housing tax credit, if the commission issues an eligibility statement for that project.

5 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri
6 low-income housing tax credit available to a project shall be such amount as the commission
7 shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the
8 federal low-income housing tax credit for a qualified Missouri project, for a federal [tax] **credit**
9 period, and such amount shall be subtracted from the amount of state tax otherwise due for the
10 same tax period.

11 3. No more than six million dollars in tax credits shall be authorized each fiscal year
12 **ending on or before June 30, 2011**, for projects financed through tax-exempt bond issuance.

13 4. **For purposes of the limitations provided under this subsection, the aggregate**
14 **amount of tax credits allowed over a federal credit period shall be attributed to the fiscal**
15 **year in which such credits are authorized by the commission for a qualified Missouri**
16 **project. For each fiscal year beginning on or after July 1, 2011, there shall be a one**
17 **hundred ten million dollar cap on tax credit authorizations for projects which are not**
18 **financed through tax exempt bond issuance. For each fiscal year beginning on or after**
19 **July 1, 2011, there shall be a twenty million dollar cap on tax credit authorizations for**
20 **projects which are financed through tax exempt bond issuance.**

21 5. The Missouri low-income housing tax credit shall be taken against the taxes and in
22 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
23 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
24 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
25 taxpayer's five subsequent taxable years. **For projects authorized on or after July 1, 2011, any**

26 **amount of credit that exceeds the tax due for a taxpayer's taxable year may be carried**
27 **forward to any of the taxpayer's five subsequent taxable years or carried back to any of**
28 **the taxpayer's two prior taxable years.**

29 [5.] 6. All or any portion of Missouri tax credits issued in accordance with the provisions
30 of sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
31 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
32 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
33 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
34 provide to the director appropriate information so that the low-income housing tax credit can be
35 properly allocated.

36 [6.] 7. In the event that recapture of Missouri low-income housing tax credits is required
37 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided
38 in this section shall include the proportion of the state credit required to be recaptured, the
39 identity of each taxpayer subject to the recapture and the amount of credit previously allocated
40 to such taxpayer.

41 **8. A taxpayer that receives state tax credits under the provisions of sections 253.545**
42 **to 253.559 shall be ineligible to receive state tax credits under the provisions of sections**
43 **135.350 to 135.363 for the same project, if such project is not financed through tax-exempt**
44 **bond issuance.**

45 [7.] 9. The director of the department may promulgate rules and regulations necessary
46 to administer the provisions of this section. No rule or portion of a rule promulgated pursuant
47 to the authority of this section shall become effective unless it has been promulgated pursuant
48 to the provisions of section 536.024.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section
2 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax
3 credits in any given year, eight million dollars shall be set aside for projects in areas described
4 in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in
5 subdivision (10) of section 135.478. The maximum tax credit for a project consisting of
6 multiple-unit qualifying residences in a distressed community shall not exceed three million
7 dollars.

8 2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in
9 which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years
10 and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit
11 issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed.
12 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
13 notarized endorsement shall be filed with the department specifying the name and address of the
14 new owner of the tax credit and the value of the credit.

15 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed
16 in addition to any other state tax credits, with the exception of the historic structures
17 rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, which insofar as
18 sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax
19 credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for
20 the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to
21 subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections
22 253.545 to 253.559, and in such cases, the amount of the tax credit pursuant to subsection 4 of
23 section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or
24 forty thousand dollars.

25 **4. Notwithstanding any provision of law to the contrary, no tax credits provided**
26 **under sections 135.475 to 135.487 shall be authorized on or after the effective date of this**
27 **act. The provisions of this subsection shall not be construed to limit or in any way impair**
28 **the department's ability to issue tax credits authorized prior to the effective date of this act,**
29 **or a taxpayer's ability to redeem such tax credits.**

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed
3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of
5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
7 devices, scientific research, animal research, computer software design or development,
8 computer programming, including Internet, web hosting, and other information technology,
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved
12 by the department of economic development, which shall issue a certificate of eligibility if the
13 department determines that the taxpayer is eligible for such credit. The maximum amount of
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five
15 thousand dollars for each of the three years for which the credit is claimed. The department of
16 economic development, by means of rule or regulation promulgated pursuant to the provisions
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers
18 to the companies which are eligible for the tax credits provided for in this section. Such
19 three-year credits shall be awarded only one time to any company which moves its operations
20 from outside of Missouri or outside of a distressed community into a distressed community or
21 to a company which commences operations within a distressed community. A taxpayer shall file

22 an application for certification of the tax credits for the first year in which credits are claimed and
23 for each of the two succeeding taxable years for which credits are claimed.

24 2. Employees of such facilities physically working and earning wages for that work
25 within a distressed community whose employers have been approved for tax credits pursuant to
26 subsection 1 of this section by the department of economic development for whom payroll taxes
27 are paid shall also be eligible to receive a tax credit against individual income tax, imposed
28 pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such
29 facility earned for each of the three years that the facility receives the tax credit provided by this
30 section, so long as they were qualified employees of such entity. The employer shall calculate
31 the amount of such credit and shall report the amount to the employee and the department of
32 revenue.

33 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than
34 the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income
35 taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed
36 community in an amount of forty percent of the amount of funds expended for computer
37 equipment and its maintenance, medical laboratories and equipment, research laboratory
38 equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications,
39 wiring or software development expense up to a maximum of seventy-five thousand dollars in
40 tax credits for such equipment or expense per year per entity and for each of three years after
41 commencement in or moving operations into a distressed community.

42 4. A corporation, partnership or sole partnership, which has no more than one hundred
43 employees for whom payroll taxes are paid, which is already located in a distressed community
44 and which expends funds for such equipment pursuant to subsection 3 of this section in an
45 amount exceeding its average of the prior two years for such equipment, shall be eligible to
46 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this
49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years
50 and carried forward to any of the five tax years.

51 5. An existing corporation, partnership or sole proprietorship that is located within a
52 distressed community and that relocates employees from another facility outside of the distressed
53 community to its facility within the distressed community, and an existing business located
54 within a distressed community that hires new employees for that facility may both be eligible for
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
56 such a business, during one of its tax years, shall employ within a distressed community at least
57 twice as many employees as were employed at the beginning of that tax year. A business hiring
58 employees shall have no more than one hundred employees before the addition of the new

59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
60 medical devices, scientific research, animal research, computer software design or development,
61 computer programming or telecommunications business, or a professional firm.

62 6. Tax credits shall be approved for applicants meeting the requirements of this section
63 in the order that such applications are received. Certificates of tax credits issued in accordance
64 with this section may be transferred, sold or assigned by notarized endorsement which names the
65 transferee.

66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
67 be for an amount of no more than ten million dollars for each year beginning in 1999. [To the
68 extent there are available tax credits remaining under the ten million dollar cap provided in this
69 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax
70 credits authorized under section 135.562.] The total maximum credit for all entities already
71 located in distressed communities and claiming credits pursuant to subsection 4 of this section
72 shall be seven hundred and fifty thousand dollars. The department of economic development in
73 approving taxpayers for the credit as provided for in subsection 6 of this section shall use
74 information provided by the department of revenue regarding taxes paid in the previous year, or
75 projected taxes for those entities newly established in the state, as the method of determining
76 when this maximum will be reached and shall maintain a record of the order of approval. Any
77 tax credit not used in the period for which the credit was approved may be carried over until the
78 full credit has been allowed.

79 8. A Missouri employer relocating into a distressed community and having employees
80 covered by a collective bargaining agreement at the facility from which it is relocating shall not
81 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
82 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
83 collective bargaining agreement covering employees at the facility, unless the affected collective
84 bargaining unit concurs with the move.

85 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
86 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
87 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
88 135.245, respectively, for the same business for the same tax period.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's
3 principal dwelling accessible to an individual with a disability who permanently resides with the
4 taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
5 liability in an amount equal to the lesser of one hundred percent of such costs or two thousand
6 five hundred dollars per taxpayer, per tax year.

7 2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars
8 but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion
9 of such taxpayer's principal dwelling accessible to an individual with a disability who
10 permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri
11 income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand
12 five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits
13 under this section in any tax year immediately following a tax year in which such taxpayer
14 received tax credits under the provisions of this section.

15 3. Tax credits issued pursuant to this section may be refundable in an amount not to
16 exceed two thousand five hundred dollars per tax year.

17 4. Eligible costs for which the credit may be claimed include:

- 18 (1) Constructing entrance or exit ramps;
- 19 (2) Widening exterior or interior doorways;
- 20 (3) Widening hallways;
- 21 (4) Installing handrails or grab bars;
- 22 (5) Moving electrical outlets and switches;
- 23 (6) Installing stairway lifts;
- 24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- 25 (8) Modifying hardware of doors; or
- 26 (9) Modifying bathrooms.

27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

31 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
32 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
33 provided that such return is timely filed.

34 7. The department may, in consultation with the department of social services,
35 promulgate such rules or regulations as are necessary to administer the provisions of this section.
36 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective only if it complies with and is subject
38 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
39 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
40 to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are
41 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
42 or adopted after August 28, 2007, shall be invalid and void.

43 8. The provisions of this section shall apply to all tax years beginning on or after
44 January 1, 2008.

45 9. [The provisions of this section shall expire December 31, 2013.

46 10.] In no event shall the aggregate amount of all tax credits allowed pursuant to this
47 section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued
48 pursuant to this section shall be on a first-come, first-served filing basis.

49 **10. Notwithstanding any provision of law to the contrary, no tax credits provided**
50 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
51 **subsection shall not be construed to limit or in any way impair the department's ability to**
52 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
53 **tax credits.**

135.630. 1. As used in this section, the following terms mean:

2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;

4 (2) "Director", the director of the department of social services;

5 (3) "Pregnancy resource center", a nonresidential facility located in this state:

6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and

10 (b) Where childbirths are not performed; and

11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and

13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and

15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and

18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;

20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;

25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an
26 S corporation doing business in the state of Missouri and subject to the state income tax imposed

27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
29 gross premium receipts in this state, or other financial institution paying taxes to the state of
30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.

36 2. For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed to
37 claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of
38 the amount such taxpayer contributed to a pregnancy resource center.

39 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
40 state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not
41 be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However,
42 any tax credit that cannot be claimed in the taxable year the contribution was made may be
43 carried over to the next four succeeding taxable years until the full credit has been claimed.

44 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
45 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
46 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
47 taxpayer's taxable year has a value of at least one hundred dollars.

48 5. The director shall determine, at least annually, which facilities in this state may be
49 classified as pregnancy resource centers. The director may require of a facility seeking to be
50 classified as a pregnancy resource center whatever information which is reasonably necessary
51 to make such a determination. The director shall classify a facility as a pregnancy resource
52 center if such facility meets the definition set forth in subsection 1 of this section.

53 6. The director shall establish a procedure by which a taxpayer can determine if a facility
54 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
55 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
56 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
57 shall not exceed two million dollars. Tax credits shall be issued in the order contributions are
58 received.

59 7. The director shall establish a procedure by which, from the beginning of the fiscal year
60 until some point in time later in the fiscal year to be determined by the director, the cumulative
61 amount of tax credits are equally apportioned among all facilities classified as pregnancy
62 resource centers. If a pregnancy resource center fails to use all, or some percentage to be
63 determined by the director, of its apportioned tax credits during this predetermined period of

64 time, the director may reapportion these unused tax credits to those pregnancy resource centers
65 that have used all, or some percentage to be determined by the director, of their apportioned tax
66 credits during this predetermined period of time. The director may establish more than one
67 period of time and reapportion more than once during each fiscal year. To the maximum extent
68 possible, the director shall establish the procedure described in this subsection in such a manner
69 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
70 tax credits available for the fiscal year.

71 8. Each pregnancy resource center shall provide information to the director concerning
72 the identity of each taxpayer making a contribution to the pregnancy resource center who is
73 claiming a tax credit pursuant to this section and the amount of the contribution. The director
74 shall provide the information to the director of revenue. The director shall be subject to the
75 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
76 information.

77 9. Notwithstanding any other law to the contrary, any tax credits granted under this
78 section may be assigned, transferred, sold, or otherwise conveyed without consent or approval.
79 Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange,
80 or otherwise transfer earned tax credits:

81 (1) For no less than seventy-five percent of the par value of such credits; and

82 (2) In an amount not to exceed one hundred percent of annual earned credits.

83 10. [Pursuant to section 23.253 of the Missouri sunset act:

84 (1) Any new program authorized under this section shall automatically sunset six years
85 after August 28, 2006, unless reauthorized by an act of the general assembly; and

86 (2) If such program is reauthorized, the program authorized under this section shall
87 automatically sunset twelve years after the effective date of the reauthorization of this section;
88 and

89 (3) This section shall terminate on September first of the calendar year immediately
90 following the calendar year in which a program authorized under this section is sunset.]
91 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
92 **authorized under this section are hereby reauthorized and shall automatically sunset on**
93 **August 28, 2015.**

135.647. 1. As used in this section, the following terms shall mean:

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,
4 as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people who would
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax
7 credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder
9 in an S corporation doing business in this state and subject to the state income tax imposed by
10 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

11 2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash
12 or food, unless such food is donated after the food's expiration date, to any local food pantry shall
13 be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
14 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the
15 donations made to the extent such amounts that have been subtracted from federal adjusted gross
16 income or federal taxable income are added back in the determination of Missouri adjusted gross
17 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming
18 a tax credit under this section shall file an affidavit with the income tax return verifying the
19 amount of their contributions. The amount of the tax credit claimed shall not exceed the amount
20 of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed
21 two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that
22 the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but
23 may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit
24 granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
25 to receive a credit pursuant to this section if such taxpayer employs persons who are not
26 authorized to work in the United States under federal law.

27 3. The cumulative amount of tax credits under this section which may be allocated to all
28 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million
29 dollars. The director of revenue shall establish a procedure by which the cumulative amount of
30 tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal
31 year in which the tax credit is claimed. To the maximum extent possible, the director of revenue
32 shall establish the procedure described in this subsection in such a manner as to ensure that
33 taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits
34 available for the fiscal year.

35 4. Any local food pantry may accept or reject any donation of food made under this
36 section for any reason. For purposes of this section, any donations of food accepted by a local
37 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the
38 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

39 5. The department of revenue shall promulgate rules to implement the provisions of this
40 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
41 under the authority delegated in this section shall become effective only if it complies with and
42 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
43 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
44 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule

45 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
46 proposed or adopted after August 28, 2007, shall be invalid and void.

47 6. [Under section 23.253 of the Missouri sunset act:

48 (1) The provisions of the new program authorized under this section shall automatically
49 sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly;
50 and

51 (2) If such program is reauthorized, the program authorized under this section shall
52 automatically sunset twelve years after the effective date of the reauthorization of this section;
53 and

54 (3) This section shall terminate on September first of the calendar year immediately
55 following the calendar year in which the program authorized under this section is sunset.]

56 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
57 **authorized under this section are hereby reauthorized and shall automatically sunset on**
58 **August 28, 2015.**

135.700. For all tax years beginning on or after January 1, 1999, a grape grower or wine
2 producer shall be allowed a tax credit against the state tax liability incurred pursuant to chapter
3 143, exclusive of the provisions relating to the withholding of tax as provided in sections
4 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new
5 equipment and materials used directly in the growing of grapes or the production of wine in the
6 state. Each grower or producer shall apply to the department of economic development and
7 specify the total amount of such new equipment and materials purchased during the calendar
8 year. The department of economic development shall certify to the department of revenue the
9 amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this
10 section. The provisions of this section notwithstanding, a grower or producer may only apply
11 for and receive the credit authorized by this section for five tax periods. **For all tax years**
12 **beginning on or after January 1, 2012, no more than two hundred thousand dollars in tax**
13 **credits provided under this section may be authorized annually.**

135.825. 1. The administering agencies for all tax credit programs shall, in cooperation
2 with the department of revenue, implement a system for tracking the amount of tax credits
3 authorized, issued, and redeemed. Any such agency may promulgate rules for the
4 implementation of this section.

5 2. The provisions of **subsection 1** of this section shall not apply to any credit that is
6 issued and redeemed simultaneously.

7 3. **The committee on legislative research shall conduct a review of any tax credit**
8 **program, in the manner provided under the provisions of sections 23.250 to 23.298, by**
9 **September first of the calendar year prior to the year in which the tax credit sunsets.**

10 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
11 under the authority delegated in this section shall become effective only if it complies with and
12 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
13 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
14 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
15 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
16 proposed or adopted after August 28, 2004, shall be invalid and void.

135.1150. 1. This section shall be known and may be cited as the "Residential
2 Treatment Agency Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency that are used
7 solely to provide direct care services to children who are residents of this state. Eligible
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued
9 and documented according to rules promulgated by the department of social services. For
10 purposes of this section, "direct care services" include but are not limited to increasing the
11 quality of care and service for children through improved employee compensation and training;

12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri
16 department of social services to provide treatment services for children who are residents or
17 wards of residents of this state, and that receives eligible donations. Any agency that operates
18 more than one facility or at more than one location shall be eligible for the tax credit under this
19 section only for any eligible donation made to facilities or locations of the agency which are
20 licensed and accredited;

21 (5) "Taxpayer", [any of the following individuals or entities who make an eligible
22 donation to an agency:

23 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter
25 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in this
28 state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any political
30 subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;
32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income tax
34 imposed under chapter 143] **an individual, a firm, a partner in a firm, sole proprietorship,**
35 **partner in a limited or general partnership, member of a limited liability company,**
36 **corporation as defined under section 143.441 or 143.471, a shareholder in an S corporation**
37 **doing business in this state and subject to the state income tax imposed by chapter 143,**
38 **excluding withholding tax imposed by sections 143.191 to 143.265, or a charitable**
39 **organization, trust, or public or private foundation which is exempt from federal income**
40 **tax and whose Missouri unrelated business taxable income, if any, would be subject to state**
41 **income tax imposed under chapter 143.**

42 3. For all taxable years beginning on or after January 1, 2007, any taxpayer shall be
43 allowed a credit against the taxes otherwise due under chapter 147, 148, or 143, excluding
44 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of
45 the amount of an eligible donation, subject to the restrictions in this section. The amount of the
46 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the
47 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by
48 this section from claiming in a tax year shall not be refundable, but may be carried forward to
49 any of the taxpayer's four subsequent taxable years.

50 4. To claim the credit authorized in this section, an agency may submit to the department
51 an application for the tax credit authorized by this section on behalf of taxpayers. The
52 department shall verify that the agency has submitted the following items accurately and
53 completely:

- 54 (1) A valid application in the form and format required by the department;
55 (2) A statement attesting to the eligible donation received, which shall include the name
56 and taxpayer identification number of the individual making the eligible donation, the amount
57 of the eligible donation, and the date the eligible donation was received by the agency; and
58 (3) Payment from the agency equal to the value of the tax credit for which application
59 is made. If the agency applying for the tax credit meets all criteria required by this subsection,
60 the department shall issue a certificate in the appropriate amount.

61 5. An agency may apply for tax credits in an aggregate amount that does not exceed
62 [forty percent of] the payments made by the department to the agency in the preceding twelve
63 months.

64 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
65 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
66 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a

67 notarized endorsement shall be filed with the department specifying the name and address of the
68 new owner of the tax credit or the value of the credit.

69 7. The department shall promulgate rules to implement the provisions of this section.
70 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
71 authority delegated in this section shall become effective only if it complies with and is subject
72 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
73 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
74 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
75 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
76 or adopted after August 28, 2006, shall be invalid and void.

77 8. [Under section 23.253 of the Missouri sunset act:

78 (1) The provisions of the new program authorized under this section shall automatically
79 sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

80 (2) If such program is reauthorized, the program authorized under this section shall
81 automatically sunset twelve years after the effective date of the reauthorization of this section;
82 and

83 (3) This section shall terminate on September first of the calendar year immediately
84 following the calendar year in which the program authorized under this section is sunset.]

85 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
86 **authorized under this section are hereby reauthorized and shall automatically sunset on**
87 **August 28, 2015.**

135.1180. 1. This section shall be known and may be cited as the "Developmental
2 Disability Care Provider Tax Credit Program".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received, by a provider, from a taxpayer that are
7 used solely to provide direct care services to persons with developmental disabilities who
8 are residents of this state. Eligible donations may include cash, publicly traded stocks and
9 bonds, and real estate that will be valued and documented according to rules promulgated
10 by the department of social services. For purposes of this section, "direct care services"
11 include, but are not limited to, increasing the quality of care and service for persons with
12 developmental disabilities through improved employee compensation and training;

13 (4) "Qualified developmental disability care provider" or "provider", a care
14 provider that provides assistance to persons with developmental disabilities, and is under
15 contract with the Missouri department of social services or department of mental health
16 to provide treatment services for such persons, and that receives eligible donations. Any

17 provider that operates more than one facility or at more than one location shall be eligible
18 for the tax credit under this section only for any eligible donation made to facilities or
19 locations of the provider which are licensed and accredited;

20 (5) "Taxpayer", any of the following individuals or entities who make an eligible
21 donation to a provider:

22 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
23 corporation doing business in the state of Missouri and subject to the state income tax
24 imposed in chapter 143;

25 (b) A corporation subject to the annual corporation franchise tax imposed in
26 chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in
28 this state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any
30 political subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;

32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income
34 tax imposed under chapter 143.

35 3. For all taxable years beginning on or after January 1, 2011, any taxpayer shall
36 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148
37 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount equal to
38 fifty percent of the amount of an eligible donation, subject to the restrictions in this section.
39 The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
40 income tax liability in the tax year for which the credit is claimed. Any amount of credit
41 that the taxpayer is prohibited by this section from claiming in a tax year shall not be
42 refundable, but may be carried forward to any of the taxpayer's four subsequent taxable
43 years.

44 4. To claim the credit authorized in this section, a provider shall submit to the
45 department an application for the tax credit authorized by this section on behalf of
46 taxpayers. The department shall verify that the provider has submitted the following items
47 accurately and completely:

48 (1) A valid application in the form and format required by the department;

49 (2) A statement attesting to the eligible donation received, which shall include the
50 name and taxpayer identification number of the individual making the eligible donation,
51 the amount of the eligible donation, and the date the eligible donation was received by the
52 provider; and

53 (3) Payment from the provider equal to the value of the tax credit for which
54 application is made.

55

56 If the provider applying for the tax credit meets all criteria required by this subsection, the
57 department shall issue a certificate in the appropriate amount.

58 5. Tax credits issued under this section may be assigned, transferred, sold, or
59 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
60 credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise
61 conveyed, a notarized endorsement shall be filed with the department specifying the name
62 and address of the new owner of the tax credit or the value of the credit.

63 6. The department shall promulgate rules to implement the provisions of this
64 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
65 created under the authority delegated in this section shall become effective only if it
66 complies with and is subject to all of the provisions of chapter 536, and, if applicable,
67 section 536.028. This section and chapter 536, are nonseverable and if any of the powers
68 vested with the general assembly pursuant to chapter 536, to review, to delay the effective
69 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
70 grant of rulemaking authority and any rule proposed or adopted after the effective date
71 of this act, shall be invalid and void.

72 7. Under section 23.253 of the Missouri sunset act:

73 (1) The provisions of the new program authorized under this section shall
74 automatically sunset four years after the effective date of this act, unless reauthorized by
75 an act of the general assembly; and

76 (2) If such program is reauthorized, the program authorized under this section
77 shall automatically sunset twelve years after the effective date of the reauthorization of this
78 section; and

79 (3) This section shall terminate on September first of the calendar year immediately
80 following the calendar year in which the program authorized under this section is sunset.

135.1500. 1. Sections 135.1500 to 135.1521, shall be known and may be cited as the
2 "Missouri Export Act".

3 2. As used in sections 135.1500 to 135.1521, unless the context clearly requires
4 otherwise, the following terms shall mean:

5 (1) "Air export tax credit", the tax credit against the taxes imposed under chapters
6 143, 147, and 148, except for sections 143.191 to 143.265, to be issued by the department
7 to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound
8 flight;

- 9 (2) "Airport", an airport which is owned and operated by a city not within a
10 county;
- 11 (3) "Chargeable kilo", the shipment of a kilo of freight, as measured by the greater
12 of:
- 13 (a) Actual weight; or
- 14 (b) A dimensional weight, as determined by the conversion factors promulgated by
15 the International Air Transport Association, on a qualifying outbound flight;
- 16 (4) "Claiming freight forwarder", the freight forwarder designated as the "agent"
17 on the airway bill for the qualifying outbound flight for which such air export tax credit
18 is sought;
- 19 (5) "Department", the Missouri department of economic development;
- 20 (6) "Direct all cargo aircraft flight", a flight that flies directly to its destination
21 without stopping, except to receive fuel and maintenance;
- 22 (7) "Freight forwarder", a person that assumes responsibility in the ordinary
23 course of its business for the transportation of cargo from the place of receipt to the place
24 of destination, including the utilization of a qualifying outbound flight;
- 25 (8) "Perishable freight", agricultural products, including seeds, garden products,
26 live animals, and processed meat products such as pork and beef;
- 27 (9) "Qualifying outbound flight", a direct all cargo aircraft flight from the airport
28 to an international destination.

- 135.1507. 1. For all taxable years beginning on or after January 1, 2011, a claiming
2 freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on
3 a qualifying outbound flight in an amount equal to thirty cents per chargeable kilo.
- 4 2. For all taxable years beginning on or after January 1, 2011, a claiming freight
5 forwarder shall be entitled to an air export tax credit for the shipment of perishable freight
6 on a qualifying outbound flight in an amount equal to thirty-five cents per chargeable kilo.
- 7 3. No claiming freight forwarder shall receive air export tax credits under both
8 subsections 1 and 2 of this section for a single shipment on a qualifying outbound flight.
- 9 4. The department shall index the amount of the air export tax credits to adjust
10 each year depending upon fluctuations in the cost of fuel for over-the-road transportation.

- 135.1509. 1. To receive benefits provided under section 135.1507, a claiming freight
2 forwarder shall file an application with the department within one hundred twenty
3 calendar days of the date that the shipment for which air export tax credits are being
4 sought was transported on the qualifying outbound flight. The documentation to be
5 presented by the claiming freight forwarder in such an application shall consist of the
6 master airway bill for the shipment on the qualifying outbound flight for which the
7 claiming freight forwarder is seeking air export tax credits. All master airway bills shall

8 specify an origin located within the United States of America for the shipments to qualify
9 for air export tax credits. The department shall establish procedures to allow claiming
10 freight forwarders that file applications for air export tax credits to receive such tax credits
11 within ten business days of the date of the filing of the application for air export tax credits
12 relating to the qualifying outbound flight. No application shall be approved for any
13 continuing direct all cargo aircraft flights from the airport to an international destination
14 conducted by a carrier, which conducted such flights on a scheduled basis prior to May 1,
15 2011, and which continuing flights after May 1, 2011, would otherwise have constituted
16 qualifying outbound flights.

17 2. If the annual cap on the issuance of air export tax credits provided under section
18 135.1511, is met in a given year, then the amount of such tax credits which have been
19 authorized, but remain unissued, shall be carried forward and issued in the subsequent
20 year or years until all such authorized tax credits have been issued.

21 3. No tax credits provided under this section shall be authorized after August 28,
22 2019. Any tax credits authorized on or before August 28, 2019, but not issued prior to such
23 date may be issued until all such authorized tax credits have been issued after such date.

135.1511. The total aggregate amount of air export tax credits authorized under
2 section 135.1507 shall not exceed sixty million dollars. The amount of the air export tax
3 credits issued under section 135.1507 shall not exceed:

4 (1) Eight hundred fifty thousand dollars for the taxable year beginning on or after
5 January 1, 2011, but ending on or before December 31, 2011;

6 (2) Seven million five hundred fifty thousand dollars for the taxable year beginning
7 on or after January 1, 2012, but ending on or before December 31, 2012; and

8 (3) The greater of one million two hundred thousand dollars per weekly qualifying
9 outbound flight or three million six hundred thousand dollars for all taxable years
10 beginning on or after January 1, 2013.

11
12 Beginning January 1, 2013, the department shall quarterly determine the number of
13 weekly qualifying outbound flights, which shall be the average number of such flights per
14 week during the previous quarter.

135.1519. If the amount of any tax credit authorized under sections 135.1500 to
2 135.1521 exceeds the total tax liability for the year in which the applicant is entitled to
3 receive a tax credit, the amount that exceeds the state tax liability may be carried forward
4 for credit against the taxes imposed under chapters 143, 147, and 148, except sections
5 143.191 to 143.265, for the succeeding six years, or until the full credit is used, whichever
6 occurs first. Tax credits authorized under the provisions of sections 135.1500 to 135.1521
7 may be transferred, sold, or otherwise assigned. Tax credits granted to a partnership, a

8 limited liability company taxed as a partnership, or multiple owners of property shall be
9 passed through to the partners, members, or owners respectively pro rata or under an
10 executed agreement among the partners, members, or owners documenting an alternate
11 distribution method.

135.1521. The department may promulgate rules to implement the provisions of
2 sections 135.1500 to 135.1521. Any rule or portion of a rule, as that term is defined in
3 section 536.010 that is created under the authority delegated in this section shall become
4 effective only if it complies with and is subject to all of the provisions of chapter 536, and,
5 if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of
6 the powers vested with the general assembly pursuant to chapter 536 to review, to delay
7 the effective date, or to disapprove and to annul a rule are subsequently held
8 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
9 after August 28, 2011, shall be invalid and void.

144.810. 1. As used in this section, unless the context clearly indicates otherwise,
2 the following terms mean:

3 (1) "Commencement of commercial operations", shall be deemed to occur during
4 the first calendar year for which the data storage center is first available for use by the
5 operating taxpayer, or first capable of being used by the operating taxpayer, as a data
6 storage center;

7 (2) "Constructing taxpayer", where more than one taxpayer is responsible for a
8 project, a taxpayer responsible for the construction of the facility, as opposed to a taxpayer
9 responsible for the equipping and ongoing operations of the facility;

10 (3) "County average wage", the average wages in each county as determined by the
11 department for the most recently completed full calendar year. However, if the computed
12 county average wage is above the statewide average wage, the statewide average wage shall
13 be deemed the county average wage for such county for the purpose of determining
14 eligibility;

15 (4) "Data storage center" or "facility", a facility constructed, extended, improved,
16 or operating under this section, provided that such business facility is engaged primarily
17 in:

18 (a) Data processing, hosting, and related services (NAICS 518210); or

19 (b) Internet publishing and broadcasting and web search portals (NAICS 519130),
20 at the business facility;

21 (5) "Existing facility", a data storage center in this state as it existed prior to
22 August 28, 2011, as determined by the department;

23 (6) "Expanding facility" or "expanding data storage center", an existing facility
24 or replacement facility that expands its operations in this state on or after the effective date

25 of this act, and has net new investment related to the expansion of operations in this state
26 of at least five million dollars during a period of up to twelve consecutive months and
27 results in the creation of at least five new jobs during a period of up to twenty-four
28 consecutive months from the date of conditional approval for an exemption under this
29 section, if the average wage of the new jobs equals or exceeds one hundred and fifty
30 percent of the county average wage. An expanding facility shall continue to be an
31 expanding facility regardless of a subsequent change in or addition of operating taxpayers
32 or constructing taxpayers;

33 (7) "Expanding facility project" or "expanding data storage center project", the
34 construction, extension, improvement, equipping, and operation of an expanding facility;

35 (8) "Investment" shall include the value of real and depreciable personal property,
36 acquired as part of the new or expanding facility project which is used in the operation of
37 the facility following conditional approval of an exemption under this section;

38 (9) "NAICS", the 2007 edition of the North American Industry Classification
39 System as prepared by the Executive Office of the President, Office of Management and
40 Budget. Any NAICS sector, subsector, industry group, or industry identified in this section
41 shall include its corresponding classification in previous and subsequent federal industry
42 classification systems;

43 (10) "New facility" or "new data storage center", a facility in this state meeting the
44 following requirements:

45 (a) The facility is acquired by, or leased to, an operating taxpayer on or after the
46 effective date of this act. A facility shall be deemed to have been acquired by, or leased to,
47 an operating taxpayer on or after the effective date of this act, if the transfer of title to an
48 operating taxpayer, the transfer of possession under a binding contract to transfer title to
49 an operating taxpayer, or the commencement of the term of the lease to an operating
50 taxpayer occurs on or after the effective date of this act, or, if the facility is constructed,
51 erected, or installed by or on behalf of an operating taxpayer, such construction, erection,
52 or installation is commenced on or after the effective date of this act;

53 (b) If such facility was acquired by an operating or constructing taxpayer from
54 another person or persons on or after the effective date of this act, and such facility was
55 employed prior to the effective date of this act, by any other person or persons in the
56 operation of a data storage center the facility shall not be considered a new facility;

57 (c) Such facility is not an expanding or replacement facility, as defined in this
58 section;

59 (d) The new facility project investment is at least thirty-seven million dollars during
60 a period of up to thirty-six consecutive months from the date of the conditional approval
61 for an exemption under this section. Where more than one taxpayer is responsible for a

62 project, the investment requirement may be met by an operating taxpayer, a constructing
63 taxpayer, or a combination of constructing taxpayers and operating taxpayers;

64 (e) At least thirty new jobs are created at the new facility during a period of up to
65 thirty six consecutive months from the date of conditional approval for an exemption under
66 this section if the average wage of the new jobs equals or exceeds one hundred fifty percent
67 of the county average wage; and

68 (f) A new facility shall continue to be a new facility regardless of a subsequent
69 change in or addition of operating taxpayers or constructing taxpayers;

70 (11) "New data storage center project" or "new facility project", the construction,
71 extension, improvement, equipping, and operation of a new facility;

72 (12) "New job", in the case of a new data center project, the total number of
73 full-time employees located at a new data storage center for a period of up to thirty-six
74 consecutive months from the date of conditional approval for an exemption under this
75 section. In the case of an expanding data storage center project, the total number of
76 full-time employees located at the expanding data storage center that exceeds the greater
77 of the number of full-time employees located at the project facility on the date of the
78 submission of a project plan under this section or for the twelve-month period prior to the
79 date of the submission of a project plan, the average number of full-time employees located
80 at the expanding data storage center facility. In the event the expanding data storage
81 center facility has not been in operation for a full twelve-month period at the time of the
82 submission of a project plan, the average number of full-time employees for the number
83 of months the expanding data storage center facility has been in operation prior to the date
84 of the submission of the project plan;

85 (13) "Operating taxpayer", where more than one taxpayer is responsible for a
86 project, a taxpayer responsible for the equipping and ongoing operations of the facility, as
87 opposed to a taxpayer responsible for the purchasing or construction of the facility;

88 (14) "Project taxpayers", each constructing taxpayer and each operating taxpayer
89 for a data storage center project;

90 (15) "Replacement facility", a facility in this state otherwise described in
91 subdivision (7) of this subsection, but which replaces another facility located within the
92 state, which the taxpayer or a related taxpayer previously operated but discontinued
93 operating within one year prior to the commencement of commercial operations at the new
94 facility;

95 (16) "Taxpayer", the purchaser of tangible personal property or a service that is
96 subject to state or local sales or use tax and from whom state or local sales or use tax is
97 owed. Taxpayer shall not mean the seller charged by law with collecting the sales tax from
98 the purchaser.

99 **2. Beginning on the effective date of this act, in addition to the exemptions granted**
100 **under chapter 144, project taxpayers for a new data storage center project shall be entitled,**
101 **for a project period not to exceed fifteen years from the date of conditional approval under**
102 **this section and subject to the requirements of subsection 3 of this section, to an exemption**
103 **of one hundred percent of the state and local sales and use taxes defined, levied, or**
104 **calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761,**
105 **or section 238.235, limited to the net fiscal benefit of the state calculated over a ten year**
106 **period, on:**

107 **(1) All electrical energy, gas, water, and other utilities including telecommunication**
108 **and internet services used in a new data storage center;**

109 **(2) All machinery, equipment, and computers used in any new data storage center;**
110 **and**

111 **(3) All sales at retail of tangible personal property and materials for the purpose**
112 **of constructing any new data storage center.**

113
114 **The amount of any exemption provided under this subsection shall not exceed the**
115 **projected net fiscal benefit to the state over a period of ten years, as determined by the**
116 **department of economic development using the Regional Economic Modeling, Inc. dataset**
117 **or comparable data.**

118 **3. Any data storage center project seeking a tax exemption under subsection 2 of**
119 **this section shall submit a project plan to the department of economic development, which**
120 **shall identify each known constructing taxpayer and known operating taxpayer for the**
121 **project and include any additional information the department of economic development**
122 **may require to determine eligibility for the exemption. The department of economic**
123 **development shall review the project plan and determine whether the project is eligible for**
124 **the exemption under subsection 2 of this section, conditional upon subsequent verification**
125 **by the department that the project meets the requirements in subsection 1 of this section**
126 **for a new facility. The department of economic development shall convey such conditional**
127 **approval to the department of revenue and the identified project taxpayers. After a**
128 **conditionally approved new facility has met the requirements in subsection 1 of this section**
129 **for a new facility and the execution of the agreement specified in subsection 6 of this**
130 **section, the project taxpayers shall provide proof of the same to the department of**
131 **economic development. Upon verification of such proof, the department of economic**
132 **development shall certify the new facility to the department of revenue as being eligible for**
133 **the exemption dating retroactively to the first day of the thirty-six month period. The**
134 **department of revenue, upon receipt of adequate proof of the amount of sales taxes paid**
135 **since the first day of the thirty-six month period, shall issue a refund of taxes paid but**

136 eligible for exemption under subsection 2 of this section to each operating taxpayer and
137 each constructing taxpayer and issue a certificate of exemption to each new project
138 taxpayer for ongoing exemptions under subsection 2 of this section.

139 **4. Beginning on the effective date of this act, in addition to the exemptions granted**
140 **under chapter 144, upon approval by the department of economic development, project**
141 **taxpayers for expanding data center projects may, for a period not to exceed ten years, be**
142 **specifically exempted from state and local sales and use taxes defined, levied, or calculated**
143 **under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section**
144 **238.235 on:**

145 **(1) All electrical energy, gas, water, and other utilities including telecommunication**
146 **and internet services used in an expanding data storage center which, on an annual basis,**
147 **exceeds the amount of electrical energy, gas, water, and other utilities including**
148 **telecommunication and internet services used in the existing facility or the replaced facility**
149 **prior to the expansion, provided that any substantial renovation, as defined in section**
150 **8.800, at an expanding facility shall meet applicable provisions of the International Energy**
151 **Conservation Code 2009 or most recent version thereof. For purposes of this subdivision**
152 **only, "amount" shall be measured in kilowatt hours, gallons, cubic feet, or other measures**
153 **applicable to a utility service as opposed to in dollars, to account for increases in utility**
154 **rates;**

155 **(2) All machinery, equipment, and computers used in any expanding data storage**
156 **center, the cost of which, on an annual basis, exceeds the average of the previous three**
157 **years' expenditures on machinery, equipment, and computers at the existing facility or the**
158 **replaced facility prior to the expansion. Existing facilities or replaced facilities in existence**
159 **for less than three years shall have the average expenditures calculated based upon the**
160 **applicable time of existence; and**

161 **(3) All sales at retail of tangible personal property and materials for the purpose**
162 **of constructing, repairing, or remodeling any expanding data storage center.**

163
164 **The amount of any exemption provided under this subsection shall not exceed the**
165 **projected net fiscal benefit to the state over a period of ten years, as determined by the**
166 **department of economic development.**

167 **5. Any data storage center project seeking a tax exemption under subsection 4 of**
168 **this section shall submit a project plan to the department of economic development, which**
169 **shall identify each known constructing taxpayer and each known operating taxpayer for**
170 **the project and include any additional information the department of economic**
171 **development may reasonably require to determine eligibility for the exemption. The**
172 **department of economic development shall review the project plan and determine whether**

the project is eligible for the exemption under subsection 4 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for an expanding facility project and the execution of the agreement specified in subsection 6 of this section. The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditional approved facility has met the requirements in subsection 1 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the project to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 4 of this section to any applicable project taxpayer and issue a certificate of exemption to any applicable project taxpayer for ongoing exemptions under subsection 4 of this section.

6. (1) The exemptions in subsections 2 and 4 of this section shall be tied to the new or expanding facility project. A certificate of exemption in the hands of a taxpayer that is no longer an operating or constructing taxpayer of the new or expanding facility project shall be invalid as of the date the taxpayer was no longer an operating or constructing taxpayer of the new or expanding facility project. New certificates of exemption shall be issued to successor constructing taxpayers and operating taxpayers at such new or expanding facility projects. The right to the exemption by successor taxpayers shall exist without regard to subsequent levels of investment in the new or expanding facility by successor taxpayers.

(2) As a condition of receiving an exemption under subsection 2 or 4 of this section, the project taxpayers shall enter into an agreement with the department of economic development providing for repayment penalties in the event the data storage center project fails to comply with any of the requirements of this section.

(3) The department of revenue shall credit any amounts remitted by the project taxpayers under this subsection to the fund to which the sales and use taxes exempted would have otherwise been credited.

7. The department of economic development and the department of revenue shall cooperate in conducting random audits to ensure that the intent of this section is followed.

8. Notwithstanding any other provision of law to the contrary, no recipient of an exemption pursuant to this section shall be eligible for benefits under any business recruitment tax credit, as defined in section 135.800.

209 **9. The department of economic development and the department of revenue shall**
210 **jointly prescribe such rules and regulations necessary to carry out the provisions of this**
211 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
212 **created under the authority delegated in this section shall become effective only if it**
213 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
214 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
215 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
216 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
217 **grant of rulemaking authority and any rule proposed or adopted after the effective date**
218 **of this act, shall be invalid and void.**

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section
2 208.760 from a family development account by an account holder are exempted from taxation
3 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and
4 chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use
5 should be subject to tax as required by law.

6 2. Interest earned by a family development account is exempted from taxation pursuant
7 to chapter 143.

8 3. Any funds in a family development account, including accrued interest, shall be
9 disregarded when determining eligibility to receive, or the amount of, any public assistance or
10 benefits.

11 4. A program contributor shall be allowed a credit against the tax imposed by chapter
12 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148
13 or 153, pursuant to sections 208.750 to 208.775. **For all taxable years ending on or before**
14 **December 31, 2011, contributions up to fifty thousand dollars per program contributor are**
15 **eligible for the tax credit which shall not exceed fifty percent of the contribution amount. For**
16 **all taxable years beginning on or after January 1, 2012, program contributors shall be**
17 **eligible for the tax credit which shall not exceed fifty percent of the amount of**
18 **contributions made, if such contributions are equal to or less than one thousand dollars.**
19 **In addition to the fifty percent credit allowed for contributions equal to or less than one**
20 **thousand dollars provided under this subsection, program contributors that make**
21 **contributions in excess of one thousand dollars, shall be eligible for a credit equal to**
22 **thirty-five percent of such excess. Tax credits provided under this section may be**
23 **transferred, sold, or assigned.**

24 5. The department of economic development shall verify all tax credit claims by
25 contributors. The administrator of the community-based organization, with the cooperation of
26 the participating financial institutions, shall submit the names of contributors and the total
27 amount each contributor contributes to a family development account reserve fund for the

28 calendar year. The director shall determine the date by which such information shall be
29 submitted to the department by the local administrator. The department shall submit verification
30 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

31 6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized
32 pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any fiscal year.
33 For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized under
34 sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal year.

215.020. 1. There is hereby created and established as a governmental instrumentality
2 of the state of Missouri the "Missouri Housing Development Commission" which shall constitute
3 a body corporate and politic.

4 2. The commission shall consist of the governor, lieutenant governor, the state treasurer,
5 the state attorney general, and six members to be selected by the governor, with the advice and
6 consent of the senate. The persons to be selected by the governor shall be individuals
7 knowledgeable in the areas of housing, finance or construction. Not more than four of the
8 members appointed by the governor shall be from the same political party. The members of the
9 commission appointed by the governor shall serve the following terms: Two shall serve two
10 years, two shall serve three years, and two shall serve four years, respectively. Thereafter, each
11 appointment shall be for a term of four years. If for any reason a vacancy occurs, the governor,
12 with the advice and consent of the senate, shall appoint a new member to fill the unexpired term.
13 Members are eligible for reappointment.

14 3. Six members of the commission shall constitute a quorum. No vacancy in the
15 membership of the commission shall impair the right of a quorum to exercise all the rights and
16 perform all the duties of the commission. No action shall be taken by the commission except
17 upon the affirmative vote of at least six of the members of the commission.

18 4. Each member of the commission appointed by the governor is entitled to
19 compensation of fifty dollars per diem plus his reasonable and necessary expenses actually
20 incurred in discharging his duties under sections 215.010 to 215.250.

21 **5. There is hereby created in the state treasury the "Missouri Housing Development**
22 **Commission Operating Budget Fund", which shall consist of money transferred by the**
23 **commission under sections 215.030 to 215.034. The state treasurer shall be custodian of**
24 **the fund and may approve disbursements from the fund in accordance with sections 30.170**
25 **and 30.180. Upon appropriation, money in the fund shall be used solely for the operating**
26 **expenses and cost of administration of programs administered by the commission.**
27 **Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining**
28 **in the fund at the end of the biennium shall not revert to the credit of the general revenue**
29 **fund. The state treasurer shall invest moneys in the fund in the same manner as other**

30 **funds are invested. Any interest and moneys earned on such investments shall be credited**
31 **to the fund.**

215.030. 1. The commission is hereby granted, has and may exercise all powers
2 necessary or appropriate to carry out and effectuate its purpose, including but not limited to the
3 following:

4 (1) To make, purchase or participate in the purchase of uninsured, partially insured or
5 fully insured loans, including mortgages insured or otherwise guaranteed by the federal
6 government, or mortgages insured or otherwise guaranteed by other insurers of mortgages to
7 approved mortgagors to finance the building, rehabilitation or purchase of residential housing
8 designed and planned to be available for rental or sale to low-income or moderate-income
9 persons or families, as well as to finance the building, rehabilitation or purchase of residential
10 housing in distressed communities as defined in section 135.530 planned to be available for
11 rental or sale to persons or families of any income level, or which will be occupied and owned
12 by low-income or moderate-income persons, persons of any income level in distressed
13 communities or families upon such terms as designated in sections 215.010, 215.030, 215.060,
14 215.070, 215.090 and 215.160; or to purchase or participate in the purchase of any other
15 securities which are secured, directly or indirectly, by any such loan;

16 (2) Insure any loan, the funds of which are to be used for the purposes of sections
17 215.010 to 215.250 and the borrower of which agrees to the restrictions placed on such projects
18 by the commission;

19 (3) To make or participate in the making of uninsured or federally insured construction
20 loans to approve mortgagors of residential housing for occupancy by persons and families of low
21 to moderate income or occupancy by persons and families of any income level in distressed
22 communities as defined in section 135.530. Such loans shall be made only upon determination
23 by the commission that construction loans are not otherwise available, wholly or in part, from
24 private lenders upon reasonably equivalent terms and conditions. No commitment for a loan,
25 except a "commitment in principle", shall be made unless all plans for development have been
26 completed and submitted to the commission;

27 (4) To make temporary loans, with or without interest, but with such security for
28 repayment as the commission deems reasonably necessary and practicable, to defray
29 development costs to approved mortgagors of residential housing for occupancy by persons and
30 families of low and moderate income;

31 (5) Adopt bylaws for the regulation of its affairs and the conduct of its business and
32 define, from time to time, the terms "low-income" and "moderate-income" so as to best carry out
33 the purposes of sections 215.010 to 215.250 for the people intended hereby to be assisted. The
34 definition may vary from one part of the state to another depending on economic factors in each
35 section;

- 36 (6) To accept appropriations, gifts, grants, bequests, and devises and to utilize or dispose
37 of the same to carry out its purpose;
- 38 (7) To make and execute contracts, releases, compromises, and other instruments
39 necessary or convenient for the exercise of its powers, or to carry out its purpose;
- 40 (8) To collect reasonable fees and charges in connection with making and servicing its
41 loans, notes, bonds, obligations, commitments, and other evidences of indebtedness, and in
42 connection with providing technical, consultative and project assistant services. Such fees and
43 charges shall be limited to the amounts required to pay the costs of the commission, including
44 operating and administrative expenses, and reasonable allowances for losses which may be
45 incurred;
- 46 (9) To invest any funds not required for immediate disbursement in obligations of the
47 state of Missouri or of the United States government or any instrumentality thereof, the principal
48 and interest of which are guaranteed by the state of Missouri, or the United States government
49 or any instrumentality thereof, or bank certificates of deposit, or, in the case of funds pledged to
50 note or bond issues of the commission, in such investments as the commission may determine;
51 provided that on the date of issuance such note or bond issues are rated by Standard & Poor's
52 Corporation not lower than "AA" in the case of long-term obligations or "SP-1+" in the case of
53 short-term obligations or rated by Moody's Investors Service, Inc., not lower than "Aa" in the
54 case of long-term obligations or Moody's Investment Grade I in the case of short-term
55 obligations, or the equivalent ratings by such rating agencies in the event the ratings described
56 in this section are changed;
- 57 (10) To sue and be sued;
- 58 (11) To have a seal and alter the same at will;
- 59 (12) To make, and from time to time, amend and repeal bylaws, rules and regulations
60 not inconsistent with the provisions of sections 215.010 to 215.250;
- 61 (13) To acquire, hold and dispose of personal property for its purposes;
- 62 (14) To enter into agreements or other transactions with any federal or state agency, any
63 person and any domestic or foreign partnership, corporation, association or organization;
- 64 (15) To acquire real property, or an interest therein, in its own name, to sell, transfer and
65 convey any such property to a buyer, to lease such property to a tenant to manage and operate
66 such property, to enter into management contracts with respect to such property and to mortgage
67 such property;
- 68 (16) To sell, at public or private sale, any mortgage, negotiable instrument or obligation
69 securing a construction, land development, mortgage or temporary loan;
- 70 (17) To procure insurance against any loss in connection with its property in such
71 amounts, and from such insurers, as may be necessary or desirable;

72 (18) To consent, whenever it deems it necessary or desirable in the fulfillment of its
73 purpose, to the modification of the rate of interest, time of payment or any installment of
74 principal or interest, or any other terms, of any mortgage loan, mortgage loan commitment,
75 construction loan, temporary loan, contract or agreement of any kind to which the commission
76 is a party;

77 (19) To make and publish rules and regulations respecting its lending, insurance of loans,
78 federally insured construction lending and temporary lending to defray development costs and
79 any such other rules and regulations as are necessary to effectuate its purpose;

80 (20) To borrow money to carry out and effectuate its purpose and to issue its negotiable
81 bonds or notes as evidence of any such borrowing in such principal amounts and upon such terms
82 as shall be necessary to provide sufficient funds for achieving its purpose, and to secure such
83 bonds or notes by the pledge of revenues, mortgages or notes of others;

84 (21) To issue renewal notes, to issue bonds to pay notes, and whenever it deems
85 refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be
86 refunded have or have not matured;

87 (22) To apply the proceeds from the sale of renewal notes or refunding bonds to the
88 purchase, redemption, or payment of the notes or bonds to be refunded;

89 (23) To provide technical services to assist in the planning, processing, design,
90 construction or rehabilitation of residential housing for occupancy by persons and families of low
91 and moderate income, persons and families in distressed communities as defined in section
92 135.530 of any income level or land development for residential housing for occupancy by
93 persons and families of low and moderate income or persons and families in distressed
94 communities of any income level;

95 (24) To provide consultative project assistance services for residential housing for
96 occupancy by persons and families of low and moderate income or persons and families of any
97 income level in distressed communities as defined in section 135.530 and for land development
98 for residential housing for occupancy by persons and families of low and moderate income, or
99 for persons and families of any income level in distressed communities and for the residents
100 thereof with respect to management, training and social services;

101 (25) To promote research and development in scientific methods of constructing low cost
102 residential housing of high durability; [and]

103 (26) To make, purchase or participate in the purchase of uninsured, partially insured or
104 fully insured loans and home improvement loans to sponsors to finance the weatherization of
105 single and multifamily dwellings, and shall issue its negotiable bonds or notes for such purpose;
106 **and**

107 (27) **To transfer moneys from any fund administered by the commission to the**
108 **Missouri housing development commission operating budget fund for appropriation, by**

109 the general assembly, to offset operating expenses and administrative costs of the
110 commission, provided such transfer is not otherwise inconsistent with applicable state or
111 federal law.

112 2. The operating budget of the commission shall be subject to annual
113 appropriations. Except as provided under subdivision (27) of subsection 1 of this section,
114 the commission shall not use any moneys within a fund administered by the commission
115 to offset or pay operating expenses or administrative costs of the commission.

116 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is
117 promulgated under the authority of this chapter, shall become effective only if the agency has
118 fully complied with all of the requirements of chapter 536 including but not limited to, section
119 536.028 if applicable, after January 1, 1999. All rulemaking authority delegated prior to
120 January 1, 1999, is of no force and effect and repealed as of January 1, 1999, however nothing
121 in this act shall be interpreted to repeal or affect the validity of any rule adopted and promulgated
122 prior to January 1, 1999. If the provisions of section 536.028 apply, the provisions of this section
123 are nonseverable and if any of the powers vested with the general assembly pursuant to section
124 536.028 to review, to delay the effective date, or to disapprove and annul a rule or portion of a
125 rule are held unconstitutional or invalid, the purported grant of rulemaking authority and any rule
126 so proposed and contained in the order of rulemaking shall be invalid and void, except that
127 nothing in this act shall affect the validity of any rule adopted and promulgated prior to
128 January 1, 1999.

215.033. 1. The Missouri housing development commission is hereby granted all
2 powers necessary to create a nonprofit corporation to promote one or more housing equity funds
3 to serve the state of Missouri. The nonprofit corporation shall be known as the "Missouri Equity
4 Fund Support Corporation". The purpose of the housing equity fund is to receive annual capital
5 investments from investors and to invest those funds in the construction or renovation of
6 affordable housing units for low-income families throughout the state of Missouri. The nonprofit
7 corporation shall not be deemed to be a political subdivision of the state and shall not be subject
8 to the requirements of chapter 610.

9 2. As used in this section, the following terms mean:

10 (1) "Developer", any entity responsible for a tax credit development;

11 (2) "Housing equity fund", the fund or funds established to receive and invest moneys
12 invested by the investors in tax credit developments;

13 (3) "Investors", individuals, profit-making private corporations, partnerships or other
14 entities which invest money in the housing equity fund and who generally pay Missouri income
15 taxes;

16 (4) "Nonprofit corporation", the "Missouri Equity Fund Support Corporation";

17 (5) "Tax credit development", a development which constructs or rehabilitates affordable
18 housing in the state of Missouri which is eligible for state and federal low-income housing tax
19 credits, or federal rehabilitation tax credits.

20 3. The nonprofit corporation shall establish and operate, or assist and advise in the
21 establishment and operation of the housing equity fund which receives investments from
22 investors and invest such funds in tax credit developments.

23 4. The nonprofit corporation shall have the following powers:

24 (1) To contract with corporations and partnerships operating or intending to operate a
25 housing equity fund, to provide to them in exchange for reasonable compensation the following
26 services:

27 (a) Legal counsel and representation;

28 (b) Technical assistance;

29 (c) Administrative assistance;

30 (d) Marketing of the housing equity fund to potential investors;

31 (e) Investment underwriting assistance;

32 (2) To sue and be sued;

33 (3) To engage in and contract for any and all types of services, actions or endeavors, not
34 contrary to the law, necessary to the successful and efficient operation and continuation of the
35 business and purposes for which it is created;

36 (4) To purchase, receive, lease or otherwise acquire, own, hold, improve, use, sell,
37 convey, exchange, transfer and otherwise dispose of real and personal property, or any interest
38 therein, or other assets wherever situated; and

39 (5) To incur liabilities and borrow money at rates of interest up to the market rate.

40 5. The governor shall appoint a board of directors to oversee the nonprofit corporation.
41 The board shall consist of a total of sixteen members, who have demonstrated knowledge of
42 housing and related issues. Such board shall include the following:

43 (1) A representative of real estate brokers and agents;

44 (2) A representative of residential appraisers;

45 (3) A representative of affordable housing advocates, which include homeless service
46 providers, not-for-profit social service organizations and not-for-profit housing providers;

47 (4) A representative of the home construction industry;

48 (5) A representative of banking and savings and loan institutions;

49 (6) Five representatives of investors who have made capital investments in housing
50 equity funds which have entered, or can reasonably be expected to enter, into service contracts
51 with the nonprofit corporation, or representatives of the investment partners of such investors.
52 If unable to select suitable members in this category, the governor may instead select additional
53 representatives from subdivisions (1) to (5) of this subsection;

- 54 (7) By virtue of the office, the treasurer shall be a member of the board;
- 55 (8) By virtue of the office, the lieutenant governor shall be a member of the board;
- 56 (9) By virtue of the office, the governor shall be a member of the board;
- 57 (10) By virtue of the office, the secretary of state shall be a member of the board;
- 58 (11) By virtue of the office, the director of the department of economic development
- 59 shall be a member of the board; and
- 60 (12) By virtue of the office, the director of the Missouri housing development
- 61 commission shall be a member of the board.
- 62 6. Except for members serving by virtue of the office, the members' term of office shall
- 63 be four years and until their successors are appointed, except that of the members first appointed,
- 64 four shall be appointed for a term of two years, three shall be appointed for a term of three years,
- 65 and three shall be appointed for a term of four years. Vacancies on the board shall be filled in
- 66 the same manner as the original appointments, except that, if the vacancy occurs during an
- 67 unexpired term, the appointment shall be for only the unexpired portion of that term. 7 .
- 68 Board members of the nonprofit corporation shall not be compensated for their services while
- 69 serving on the board; however, board members may receive reimbursement for their actual and
- 70 necessary expenses incurred in the performance of their duties.
- 71 8. The board shall elect chair and other such officers as it deems necessary for the
- 72 conduct of its business. If so required by the board, an officer shall give bond, in such form and
- 73 amounts and with such sureties as the board may provide, for the faithful discharge of such
- 74 officer's duties, but the premiums for any such bond shall be borne by the nonprofit corporation.
- 75 9. The board shall employ all necessary personnel, fix their compensation, and provide
- 76 suitable quarters and equipment for the operation of the housing equity fund.
- 77 10. The Missouri housing development commission may provide the necessary start-up
- 78 costs for the nonprofit corporation by grant or loan and may, **subject to appropriation from the**
- 79 **Missouri housing development commission operating budget fund established under**
- 80 **section 215.020**, provide subsequent operating funds as it determines.
- 81 11. The nonprofit corporation shall publish an annual report which shall include, but not
- 82 be limited to, a description of its efforts in establishing and maintaining the operation of the
- 83 housing equity fund, the types of projects invested in and fund expenditures made by the housing
- 84 equity fund. Copies of such annual reports shall be submitted to the governor, the members of
- 85 the general assembly and the Missouri housing development commission on or before February
- 86 fifteenth of each year.

215.034. 1. The "Missouri Housing Trust Fund" is hereby established in the state

2 treasury. At the conclusion of each fiscal year, the state treasurer shall allocate all moneys in the

3 Missouri housing trust fund to the Missouri housing development commission for disbursement

4 and investment as directed in this section. Moneys deposited in the fund shall include the

5 designated funds received from the user fee established in section 59.319, money transferred
6 from the Missouri housing development commission and any other amounts which may be
7 received from grants, gifts, bequests, the state or federal government, or any other source.
8 Moneys in the fund shall be used solely for the purposes established by sections 215.034 to
9 215.039.

10 2. **The Missouri housing development commission may annually transfer moneys,**
11 **in an amount equal to** all administrative costs of this program incurred by the Missouri housing
12 development commission [shall be paid], from this fund[, which costs annually] **to the Missouri**
13 **housing development commission operating budget fund, provided that such transfer shall**
14 **not exceed two percent of the net annual revenues received into the fund established under this**
15 **section.**

16 3. In administering the Missouri housing trust fund, the Missouri housing development
17 commission shall commit or expend the money annually deposited into the fund and all interest
18 earned on the fund. All money annually deposited in and interest earned on the housing trust
19 fund shall be expended solely for the purposes established in sections 215.034 to 215.039.

20 4. The unexpended balance existing in the fund at the end of any biennium year shall be
21 exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to
22 the general revenue fund.

253.545. As used in sections 253.545 to 253.559, the following terms mean, unless the
2 context requires otherwise:

3 (1) "Certified historic structure", a property located in Missouri and listed individually
4 on the National Register of Historic Places;

5 (2) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title from a
6 borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

7 (3) "Eligible property", property located in Missouri and offered or used for residential
8 or business purposes;

9 (4) "Leasehold interest", a lease in an eligible property for a term of not less than thirty
10 years;

11 (5) "Principal", a managing partner, general partner, or president of a taxpayer;

12 (6) "Structure in a certified historic district", a structure located in Missouri which is
13 certified by the department of natural resources as contributing to the historic significance of a
14 certified historic district listed on the National Register of Historic Places, or a local district that
15 has been certified by the United States Department of the Interior;

16 (7) "Taxpayer", any person, firm, partnership, trust, estate, limited liability company, or
17 corporation;

18 (8) **"Total costs and expenses of rehabilitation", all costs and expenses related to**
19 **the rehabilitation of eligible property that is a certified historic structure or a structure in**

20 **a certified historic district including, but not limited to, qualified rehabilitation**
21 **expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as**
22 **amended, and any related regulations promulgated under such section. Such costs and**
23 **expenses shall include, but not be limited to, rehabilitation work in progress and accrued**
24 **developer fees. Provided however, that accrued developer fees shall only be considered**
25 **"total costs and expenses of rehabilitation" if an agreement or other contractual document**
26 **provides for the payment of such fees within no more than six years of completion of the**
27 **rehabilitation.**

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible
2 property, which is a certified historic structure or structure in a certified historic district, may,
3 subject to the provisions of this section and section 253.559, receive a credit against the taxes
4 imposed pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such
5 taxpayer in an amount equal to twenty-five percent of the total costs and expenses of
6 rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified
7 rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code
8 of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs
9 associated with rehabilitation and the expenses exceed fifty percent of the total basis in the
10 property and the rehabilitation meets standards consistent with the standards of the Secretary of
11 the United States Department of the Interior for rehabilitation as determined by the state historic
12 preservation officer of the Missouri department of natural resources.

13 2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,
14 the department of economic development shall not approve applications for tax credits under the
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,
18 **but ending on or before June 30, 2011**, the department of economic development shall not
19 approve applications for tax credits under the provisions of subsections 3 and 8 of section
20 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any
21 amount of tax credits for which approval shall be rescinded under the provisions of section
22 253.559. The limitations provided under this subsection shall not apply to applications approved
23 under the provisions of subsection 3 of section 253.559 for projects to receive less than two
24 hundred seventy-five thousand dollars in tax credits.

25 3. For all applications for tax credits approved on or after January 1, 2010, **but before**
26 **the effective date of this act** no more than two hundred fifty thousand dollars in tax credits may
27 be issued for eligible costs and expenses incurred in the rehabilitation of an eligible property
28 which is a nonincome producing single-family, owner-occupied residential property and is either
29 a certified historic structure or a structure in a certified historic district.

30 4. The limitations on tax credit authorization provided under the provisions of
31 subsections 2 and 3 of this section shall not apply to:

32 (1) Any application submitted by a taxpayer, which has received approval from the
33 department prior to January 1, 2010; or

34 (2) Any taxpayer applying for tax credits, provided under this section, which, on or
35 before January 1, 2010, has filed an application with the department evidencing that such
36 taxpayer:

37 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of
38 five percent of the total project costs or one million dollars and received an approved Part I from
39 the Secretary of the United States Department of Interior; or

40 (b) Has received certification, by the state historic preservation officer, that the
41 rehabilitation plan meets the standards consistent with the standards of the Secretary of the
42 United States Department of the Interior, and the rehabilitation costs and expenses associated
43 with such rehabilitation shall exceed fifty percent of the total basis in the property.

44 **5. For each fiscal year beginning on or after July 1, 2011, the department of**
45 **economic development shall not approve applications for tax credits under the provisions**
46 **of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed eighty million**
47 **dollars, increased by any amount of tax credits for which approval shall be rescinded**
48 **under the provisions of section 253.559. The limitations provided under this subsection**
49 **shall not apply to applications approved under the provisions of subsection 3 of section**
50 **253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax**
51 **credits.**

52 **6. For all applications for tax credits approved on or after the effective date of this**
53 **act, no more than one hundred twenty-five thousand dollars in tax credits may be issued**
54 **for eligible costs and expenses incurred in the rehabilitation of an eligible property which**
55 **is a nonincome producing single-family, owner-occupied residential property and is either**
56 **a certified historic structure or a structure in a certified historic district.**

57 **7. In lieu of the limitations on tax credit authorization provided under the**
58 **provisions of subsections 5 and 6 of this section, the limitations on tax credit authorization**
59 **provided under the provisions of subsections 2 and 3 of this section shall apply to:**

60 (1) Any application submitted by a taxpayer, which has received approval from the
61 department prior to the effective date of this act; or

62 (2) Any application for tax credits provided under this section for a project, which
63 on or before the effective date of this act:

64 (a) Received an approved Part I from the Secretary of the United States
65 Department of Interior and has incurred costs and expenses for an eligible property which
66 exceed the lesser of fifteen percent of the total project costs or three million dollars; or

67 (b) Has received certification, by the state historic preservation officer, that the
68 rehabilitation plan meets the standards consistent with the standards of the Secretary of
69 the United States Department of the Interior, and the rehabilitation costs and expenses
70 associated with such rehabilitation would, upon completion, be expected to exceed fifty
71 percent of the total basis in the property.

72 8. For each fiscal year beginning on or after July 1, 2011, the department of
73 economic development shall not approve applications for projects to receive less than two
74 hundred seventy-five thousand dollars in tax credits which, in the aggregate, exceed ten
75 million dollars, increased by any amount of tax credits for which approval shall be
76 rescinded under the provisions of section 253.559. The limitations on tax credit
77 authorization provided under the provisions of this subsection, shall not apply to:

78 (1) Any application submitted by a taxpayer, which has received approval from the
79 department prior to the effective date of this act; or

80 (2) Any application for tax credits provided under this section for a project, which
81 on or before the effective date of this act:

82 (a) Received an approved Part I from the Secretary of the United States
83 Department of Interior and has incurred costs and expenses for an eligible property which
84 exceed five percent of the total project costs; or

85 (b) Has received certification, by the state historic preservation officer, that the
86 rehabilitation plan meets the standards consistent with the standards of the Secretary of
87 the United States Department of the Interior, and the rehabilitation costs and expenses
88 associated with such rehabilitation would, upon completion, be expected to exceed fifty
89 percent of the total basis in the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in
2 which the rehabilitated property is placed in service, the amount that exceeds the state tax
3 liability may be carried back to any of the three preceding years and carried forward for credit
4 against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191
5 to 143.265 for the succeeding ten years, or until the full credit is used, whichever occurs first.
6 For all tax credits authorized under the provisions of sections 253.545 to 253.559 on or
7 after the effective date of this act, if the total amount of such credit exceeds the total tax
8 liability for the year in which the rehabilitated property is placed in service, the amount
9 that exceeds the state tax liability may be carried back to the preceding year and carried
10 forward for credit against the taxes imposed pursuant to chapters 143 and 148, except for
11 sections 143.191 to 143.265 for the succeeding five years, or until the full credit is used,
12 whichever occurs first. Not-for-profit entities, including but not limited to corporations
13 organized as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the tax
14 credits authorized under sections 253.545 [through 253.561] to 253.559. Any taxpayer that

15 receives state tax credits under the provisions of sections 135.350 to 135.363 for a project
16 that is not financed through tax exempt bonds issuance shall be ineligible for the state tax
17 credits authorized under sections 253.545 to 253.559 for the same project. Taxpayers
18 eligible for such tax credits may transfer, sell or assign the credits to any other taxpayer
19 including, but not limited to, a not-for-profit entity. Credits granted to a partnership, a
20 limited liability company taxed as a partnership or multiple owners of property shall be passed
21 through to the partners, members or owners including, but not limited to, any not-for-profit
22 entity that is a partner, member, or owner, respectively pro rata or pursuant to an executed
23 agreement among [the] such partners, members or owners documenting an alternate distribution
24 method.

25 2. The assignee of the tax credits, hereinafter the assignee for purposes of this
26 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities
27 otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to
28 143.265. The assignor shall perfect such transfer by notifying the department of economic
29 development in writing within thirty calendar days following the effective date of the transfer
30 and shall provide any information as may be required by the department of economic
31 development to administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections 253.545 to
2 253.559, a taxpayer shall submit an application for tax credits to the department of economic
3 development. Each application for approval, including any applications received for
4 supplemental allocations of tax credits as provided under subsection 8 of this section, shall be
5 prioritized for review and approval, in the order of the date on which the application was
6 postmarked, with the oldest postmarked date receiving priority. Applications postmarked on the
7 same day shall go through a lottery process to determine the order in which such applications
8 shall be reviewed.

9 2. Each application shall be reviewed by the department of economic development for
10 approval. In order to receive approval, an application, other than applications submitted under
11 the provisions of subsection 8 of this section, shall include:

12 (1) Proof of ownership or site control. Proof of ownership shall include evidence that
13 the taxpayer is the fee simple owner of the eligible property, such as a warranty deed or a closing
14 statement. Proof of site control may be evidenced by a leasehold interest or an option to acquire
15 such an interest. If the taxpayer is in the process of acquiring fee simple ownership, proof of site
16 control shall include an executed sales contract or an executed option to purchase the eligible
17 property;

18 (2) Floor plans of the existing structure, architectural plans, and, where applicable, plans
19 of the proposed alterations to the structure, as well as proposed additions;

20 (3) The estimated cost of rehabilitation, the anticipated total costs of the project, the
21 actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total
22 labor costs, the estimated project start date, and the estimated project completion date;

23 (4) Proof that the property is an eligible property and a certified historic structure or a
24 structure in a certified historic district; and

25 (5) Any other information which the department of economic development may
26 reasonably require to review the project for approval. Only the property for which a property
27 address is provided in the application shall be reviewed for approval. Once selected for review,
28 a taxpayer shall not be permitted to request the review of another property for approval in the
29 place of the property contained in such application. Any disapproved application shall be
30 removed from the review process. If an application is removed from the review process, the
31 department of economic development shall notify the taxpayer in writing of the decision to
32 remove such application. Disapproved applications shall lose priority in the review process. A
33 disapproved application, which is removed from the review process, may be resubmitted, but
34 shall be deemed to be a new submission for purposes of the priority procedures described in this
35 section.

36 3. If the department of economic development deems the application sufficient, the
37 taxpayer shall be notified in writing of the approval for an amount of tax credits equal to the
38 amount provided under section 253.550 less any amount of tax credits previously approved.
39 Such approvals shall be granted to applications in the order of priority established under this
40 section and shall require full compliance thereafter with all other requirements of law as a
41 condition to any claim for such credits.

42 4. Following approval of an application, the identity of the taxpayer contained in such
43 application shall not be modified except:

44 (1) The taxpayer may add partners, members, or shareholders as part of the ownership
45 structure, so long as the principal remains the same, provided however, that subsequent to the
46 commencement of renovation and the expenditure of at least ten percent of the proposed
47 rehabilitation budget, removal of the principal for failure to perform duties and the appointment
48 of a new principal thereafter shall not constitute a change of the principal; or

49 (2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of
50 a foreclosure or voluntary conveyance, or a transfer in bankruptcy. **Upon any such change in**
51 **ownership, the taxpayer contained in such application shall notify the department of such**
52 **change.**

53 5. In the event that the department of economic development grants approval for tax
54 credits equal to the **applicable** total amount available under subsection 2, **5, or 8** of section
55 253.550, or sufficient that when totaled with all other approvals, the **applicable** amount available
56 under subsection 2, **5, or 8** of section 253.550 is exhausted, all taxpayers with applications then

57 awaiting approval or thereafter submitted for approval shall be notified by the department of
58 economic development that no additional approvals shall be granted during the fiscal year and
59 shall be notified of the priority given to such taxpayer's application then awaiting approval. Such
60 applications shall be kept on file by the department of economic development and shall be
61 considered for approval for tax credits in the order established in this section in the event that
62 additional credits become available due to the rescission of approvals or when a new fiscal year's
63 allocation of credits becomes available for approval.

64 6. All taxpayers with applications receiving approval on or after the effective date of this
65 act shall commence rehabilitation within two years of the date of issuance of the letter from the
66 department of economic development granting the approval for tax credits. "Commencement
67 of rehabilitation" shall mean that as of the date in which actual physical work, contemplated by
68 the architectural plans submitted with the application, has begun, the taxpayer has incurred no
69 less than ten percent of the estimated costs of rehabilitation provided in the application.
70 Taxpayers with approval of a project shall submit evidence of compliance with the provisions
71 of this subsection. If the department of economic development determines that a taxpayer has
72 failed to comply with the requirements provided under this section, the approval for the amount
73 of tax credits for such taxpayer shall be rescinded and such amount of tax credits shall then be
74 included in the **applicable** total amount of tax credits, provided under subsection 2, **5, or 8** of
75 section 253.550, from which approvals may be granted. Any taxpayer whose approval shall be
76 subject to rescission shall be notified of such from the department of economic development and,
77 upon receipt of such notice, may submit a new application for the project.

78 7. To claim the credit authorized under sections 253.550 to 253.559, a taxpayer with
79 approval shall apply for final approval and issuance of tax credits from the department of
80 economic development [which,] . **Such application for final approval and issuance of tax**
81 **credits shall include a cost and expense certification, prepared by a licensed certified public**
82 **accountant that is not an affiliate of the applicant, certifying the total costs and expenses**
83 **of rehabilitation and the total amount of tax credits for which such taxpayer is eligible**
84 **under sections 253.550 to 253.559. Cost and expense certifications required under this**
85 **section shall separately state any accrued developer fees. No later than one hundred**
86 **twenty calendar days following receipt of a taxpayer's application for final approval and**
87 **issuance of tax credits, the department of economic development shall determine, in**
88 consultation with the department of natural resources, [shall determine the final amount of
89 eligible rehabilitation costs and expenses and] whether the completed rehabilitation meets the
90 standards of the Secretary of the United States Department of the Interior for rehabilitation as
91 determined by the state historic preservation officer of the Missouri department of natural
92 resources, **and shall issue, to the taxpayer, tax credits certificates equal to seventy-five**
93 **percent of the tax credits attributable to the final amount of eligible rehabilitation costs**

94 **and expenses. For a taxpayer receiving an initial tax credit issuance, the department shall**
95 **notify such taxpayer of its final determination by letter and issue such taxpayer tax credit**
96 **certificates in an amount equal to the remaining amount of tax credits for which such**
97 **taxpayer is eligible to receive under sections 253.550 to 253.559, as determined by the**
98 **department.** For financial institutions credits authorized pursuant to sections 253.550 to
99 [253.561] **253.559** shall be deemed to be economic development credits for purposes of section
100 148.064. The approval of all applications and the issuing of certificates of eligible credits to
101 taxpayers shall be performed by the department of economic development. [The department of
102 economic development shall inform a taxpayer of final approval by letter and shall issue, to the
103 taxpayer, tax credit certificates.] The taxpayer shall attach the certificate to all Missouri income
104 tax returns on which the credit is claimed. **Taxpayers which receive tax credit certificates**
105 **under sections 253.550 to 253.559, attributable to accrued developer fees shall, within six**
106 **years of completion of rehabilitation, submit an additional cost and expense certification**
107 **verifying the total amount of developer fees actually accrued and paid. To the extent the**
108 **amount of developer fees contained in a taxpayer's cost and expense certification included**
109 **with such taxpayers application for final approval and tax credit issuance exceeds the**
110 **amount of developer fees actually accrued and paid, as evidenced by the additional cost**
111 **and expense certification, such taxpayer shall repay to the state an amount equal to twenty-**
112 **five percent of such excess.**

113 8. Except as expressly provided in this subsection, tax credit certificates shall be issued
114 in the final year that costs and expenses of rehabilitation of the project are incurred, or within the
115 twelve-month period immediately following the conclusion of such rehabilitation. In the event
116 the amount of eligible rehabilitation costs and expenses incurred by a taxpayer would result in
117 the issuance of an amount of tax credits in excess of the amount provided under such taxpayer's
118 approval granted under subsection 3 of this section, such taxpayer may apply to the department
119 for issuance of tax credits in an amount equal to such excess. Applications for issuance of tax
120 credits in excess of the amount provided under a taxpayer's application shall be made on a form
121 prescribed by the department. Such applications shall be subject to all provisions regarding
122 priority provided under subsection 1 of this section.

123 9. The department of economic development shall determine, on an annual basis, the
124 overall economic impact to the state from the rehabilitation of eligible property.

125 **10. By no later than January 1, 2012, the department shall propose rules to**
126 **implement the provisions of sections 253.550 to 253.559. Prior to proposing such rules, the**
127 **department shall conduct a stakeholder process designed to solicit input from interested**
128 **parties. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
129 **created under the authority delegated herein shall become effective only if it complies with**
130 **and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.**

131 **This section and chapter 536 are nonseverable and if any of the powers vested with the**
132 **general assembly pursuant to chapter 536 to review, to delay the effective date, or to**
133 **disapprove and annul a rule are subsequently held unconstitutional, then the grant of**
134 **rulemaking authority and any rule proposed or adopted after the effective date of this act,**
135 **shall be invalid and void.**

447.708. 1. For eligible projects, the director of the department of economic
2 development, with notice to the directors of the departments of natural resources and revenue,
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new
4 enterprise zone but may decide that a prospective operator of a facility being remedied and
5 renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions
6 pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits
7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed
9 by chapter 147, or the tax otherwise imposed by chapter 148. **Notwithstanding any provisions**
10 **of law to the contrary, the department shall not authorized tax credits and exemptions**
11 **under this subsection after the effective date of this act. The provisions of this subsection**
12 **shall not be construed to limit or in any way impair the department's ability to issue tax**
13 **credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem**
14 **such tax credits.** For purposes of this subsection:

15 (1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible
16 project must create at least ten new jobs or retain businesses which supply at least twenty-five
17 existing jobs. The city, or county if the eligible project is not located in a city, must provide ad
18 valorem tax abatement of at least fifty percent for a period not less than ten years and not more
19 than twenty-five years;

20 (2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit
21 for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225,
22 the eligible project must create at least ten new jobs or retain businesses which supply at least
23 twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718,
24 the tax credits described in section 135.225 are modified as follows: the tax credit shall be four
25 hundred dollars per employee per year, an additional four hundred dollars per year for each
26 employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new
27 and existing businesses, respectively, an additional four hundred dollars per year for each person
28 who is a person difficult to employ as defined by section 135.240, and investment tax credits at
29 the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

30 (3) For eligibility to receive the income tax refund pursuant to section 135.245, the
31 eligible project must create at least ten new jobs or retain businesses which supply at least
32 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of

33 section 135.245 for application and use of the refund and the eligibility requirements of this
34 section;

35 (4) The eligible project operates in compliance with applicable environmental laws and
36 regulations, including permitting and registration requirements, of this state as well as the federal
37 and local requirements;

38 (5) The eligible project operator shall file such reports as may be required by the director
39 of economic development or the director's designee;

40 (6) The taxpayer may claim the state tax credits authorized by this subsection and the
41 state income exemption for a period not in excess of ten consecutive tax years. For the purpose
42 of this section, "taxpayer" means an individual proprietorship, partnership or corporation
43 described in section 143.441 or 143.471 who operates an eligible project. The director shall
44 determine the number of years the taxpayer may claim the state tax credits and the state income
45 exemption based on the projected net state economic benefits attributed to the eligible project;

46 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),
47 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and
48 maintained during the taxpayer's tax period for which the credits are earned, in the case of an
49 eligible project that does not replace a similar facility in Missouri. "New job" means a person
50 who was not previously employed by the taxpayer or related taxpayer within the twelve-month
51 period immediately preceding the time the person was employed by that taxpayer to work at, or
52 in connection with, the eligible project on a full-time basis. "Full-time basis" means the
53 employee works an average of at least thirty-five hours per week during the taxpayer's tax period
54 for which the tax credits are earned. For the purposes of this section, related taxpayer has the
55 same meaning as defined in subdivision (9) of section 135.100;

56 (8) For the purpose of meeting the existing job retention requirement, if the eligible
57 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the
58 taxpayer's tax period in which the tax credits are earned, it shall be required that at least
59 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time
60 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a
61 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to
62 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period
63 in which the tax credits are earned, within the tax period immediately preceding the time the
64 person was employed by the taxpayer to work at, or in connection with, the eligible project on
65 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five
66 hours per week during the taxpayer's tax period for which the tax credits are earned;

67 (9) In the case where an eligible project replaces a similar facility that closed elsewhere
68 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the
69 owner and operator of the eligible project shall provide the director with a written statement

70 explaining the reason for discontinuing operations at the closed facility. The statement shall
71 include a comparison of the activities performed at the closed facility prior to the date the facility
72 ceased operating, to the activities performed at the eligible project, and a detailed account
73 describing the need and rationale for relocating to the eligible project. If the director finds the
74 relocation to the eligible project significantly impaired the economic stability of the area in
75 which the closed facility was located, and that such move was detrimental to the overall
76 economic development efforts of the state, the director may deny the taxpayer's request to claim
77 tax benefits;

78 (10) Notwithstanding any provision of law to the contrary, for the purpose of this
79 section, the number of new jobs created and maintained, the number of existing jobs retained,
80 and the value of new qualified investment used at the eligible project during any tax year shall
81 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals
82 employed at the eligible project, or in the case of new qualified investment, the value of new
83 qualified investment used at the eligible project, on the last business day of each full calendar
84 month of the tax year. If the eligible project is in operation for less than the entire tax year, the
85 number of new jobs created and maintained, the number of existing jobs retained, and the value
86 of new qualified investment created at the eligible project during any tax year shall be
87 determined by dividing the sum of the number of individuals employed at the eligible project,
88 or in the case of new qualified investment, the value of new qualified investment used at the
89 eligible project, on the last business day of each full calendar month during the portion of the tax
90 year during which the eligible project was in operation, by the number of full calendar months
91 during such period;

92 (11) For the purpose of this section, "new qualified investment" means new business
93 facility investment as defined and as determined in subdivision (7) of section 135.100 which is
94 used at and in connection with the eligible project. "New qualified investment" shall not include
95 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand
96 held.

97 2. The determination of the director of economic development pursuant to subsection
98 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval
99 of the granting of real property tax abatement by the municipal or county government where the
100 eligible project is located.

101 3. (1) The director of the department of economic development, with the approval of
102 the director of the department of natural resources, may, [in addition to the tax credits allowed
103 in subsection 1 of this section,] grant a remediation tax credit to the applicant for up to one
104 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,
105 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,
106 and direct utility charges for performing the voluntary remediation activities for the preexisting

hazardous substance contamination and releases, including, but not limited to, the costs of performing operation and maintenance of the remediation equipment at the property beyond the year in which the systems and equipment are built and installed at the eligible project and the costs of performing the voluntary remediation activities over a period not in excess of four tax years following the taxpayer's tax year in which the system and equipment were first put into use at the eligible project, provided the remediation activities are the subject of a plan submitted to, and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of demolition that are not directly part of the remediation activities, provided that the demolition is on the property where the voluntary remediation activities are occurring, the demolition is necessary to accomplish the planned use of the facility where the remediation activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation.

(2) The amount of remediation tax credits issued shall be limited to the least amount necessary to cause the project to occur, as determined by the director of the department of economic development.

(3) The director may, with the approval of the director of natural resources, extend the tax credits allowed for performing voluntary remediation maintenance activities, in increments of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax year in which the tax credits are received or may be taken over a period not to exceed twenty years.

(4) The project facility shall be projected to create at least ten new jobs or at least twenty-five retained jobs, or a combination thereof, as determined by the department of economic development, to be eligible for tax credits pursuant to this section.

(5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a letter of completion letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs associated with ongoing operational environmental compliance of the facility or remediation

costs arising out of spills, leaks, or other releases arising out of the ongoing business operations of the facility. In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.

4. In the exercise of the sound discretion of the director of the department of economic development or the director's designee, the tax credits and exemptions described in this section may be terminated, suspended or revoked, if the eligible project fails to continue to meet the conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and the recommendation of the director of the department of natural resources, or his or her designee, concerning the severity, scope, nature, frequency and extent of any violations of the environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 to 6 of section 135.250. The director of the department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility for the same tax period.

6. The total amount of the tax credits allowed in subsection 1 of this section may not exceed the greater of:

(1) That portion of the taxpayer's income attributed to the eligible project; or

(2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total business income if the taxpayer operates, in addition to the eligible facility, any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible

project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business income in any tax period. That portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of this subsection, for which the credits allowed in sections 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit may offset, shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of section 135.100.

7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax credits shall not be carried forward but shall be initially claimed for the tax period during which the eligible project was first capable of being used, and during any applicable subsequent tax periods.

8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use, or during the taxpayer's tax period immediately after the tax period in which the voluntary remediation activities were performed.

9. The recipient of remediation tax credits, for the purpose of this subsection referred to as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed in subsection 3 of this section to any other person, for the purpose of this subsection referred to as assignee. To perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address and the assignee's tax period and the amount of tax credits to be transferred. The number of tax periods during which the assignee may subsequently claim the tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor previously claimed the credits before the transfer occurred.

10. In the case where an operator and assignor of an eligible project has been certified to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and sells or otherwise transfers title of the eligible project to another taxpayer or assignee who continues the same or substantially similar operations at the eligible project, the director shall allow the assignee to claim the credits for a period of time to be determined by the director; except that, the total number of tax periods the tax credits may be earned by the assignor and the assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice

218 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the
219 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
220 of tax credits to be transferred.

221 11. For the purpose of the state tax benefits described in this section, in the case of a
222 corporation described in section 143.471 or partnership, in computing Missouri's tax liability,
223 such state benefits shall be allowed to the following:

224 (1) The shareholders of the corporation described in section 143.471;

225 (2) The partners of the partnership. The credit provided in this subsection shall be
226 apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion
227 to their share of ownership on the last day of the taxpayer's tax period.

228 **12. For each fiscal year beginning on or after July 1, 2011, but ending on or before**
229 **June 30, 2015, the total amount of tax credits authorized under the provisions of sections**
230 **447.700 to 447.718 shall not exceed forty million dollars. No more than a total of ten**
231 **million dollars in tax credits authorized under the provisions of sections 447.700 to 447.718**
232 **shall be authorized in any fiscal year beginning on or after July 1, 2011, but ending on or**
233 **before June 30, 2015, for projects which receive benefits under the provisions of section**
234 **99.1205. For each fiscal year beginning on or after July 1, 2015, the total amount of tax**
235 **credits authorized under the provisions of sections 447.700 to 447.718 shall not exceed**
236 **thirty five million dollars. No more than a total of five million dollars in tax credits**
237 **authorized under the provisions of sections 447.700 to 447.718 shall be authorized in any**
238 **fiscal year beginning on or after July 1, 2015, for projects which receive benefits under the**
239 **provisions of section 99.1205.**

2 **620.800. The following additional terms used in sections 620.800 to 620.809 shall**
3 **mean:**

4 (1) "Agreement", the agreement between a qualified company, a community college
5 district, and the department concerning a training project. Any such agreement shall
6 comply with the provisions of section 620.017;

7 (2) "Board of trustees", the board of trustees of a community college district
8 established under the provisions of chapter 178;

9 (3) "Certificate", new or retained jobs training certificates issued under section
10 620.809;

11 (4) "Committee", the MO jobs training joint legislative oversight committee,
12 established by the department under the provisions of section 620.803;

13 (5) "MO Jobs Training Program", the training program established under sections
14 620.800 to 620.809;

15 (6) "Department", the Missouri department of economic development;

(7) "Employee", a person employed by a qualified company;

16 **(8) "Full-time employee", an employee of the qualified company that is scheduled**
17 **to work an average of at least thirty-five hours per week for a twelve-month period, and**
18 **one for which the qualified company offers health insurance and pays at least fifty percent**
19 **of such insurance premiums;**

20 **(9) "Local education agency", a community college, two-year state technical college,**
21 **or a technical career education center;**

22 **(10) "New capital investment", shall include funds spent by the qualified company**
23 **at the project facility after the approval of the notice of intent for real or personal**
24 **property, and may include the present value of finance or capital leases for real or personal**
25 **property for the term of such lease at the project facility executed after approval of the**
26 **notice of intent;**

27 **(11) "New job", the number of full-time employees located at the project facility**
28 **that exceeds the project facility base employment less any decrease in the number of**
29 **full-time employees at related facilities below the related facility base employment. No job**
30 **that was created prior to the date of the notice of intent shall be deemed a new job. An**
31 **employee that spends less than fifty percent of the employee's work time at the facility is**
32 **still considered to be located at a facility if the employee receives his or her directions and**
33 **control from that facility, is on the facility's payroll, one hundred percent of the employee's**
34 **income from such employment is Missouri income, and the employee is paid at or above**
35 **the applicable percentage of the county average wage;**

36 **(12) "New jobs credit", the credit from withholding remitted by a qualified**
37 **company provided under subsection 6 of section 620.809;**

38 **(13) "Notice of intent", a form developed by the department, completed by the**
39 **qualified company and submitted to the department which states the qualified company's**
40 **intent to request benefits under this program;**

41 **(14) "Project facility", the building or buildings used by a qualified company at**
42 **which new or retained jobs and any new capital investment are or will be located. A**
43 **project facility may include separate buildings located within sixty miles of each other such**
44 **that their purpose and operations are interrelated; provided, that where the buildings**
45 **making up the project facility are not located within the same county, the average wage of**
46 **the new payroll must exceed the highest county average wage among the counties in which**
47 **the buildings are located. Upon approval by the department, a subsequent project facility**
48 **may be designated if the qualified company demonstrates a need to relocate to the**
49 **subsequent project facility at any time during the project period;**

50 **(15) "Project facility base employment", the greater of the number of full-time**
51 **employees located at the project facility on the date of the notice of intent or, for the**
52 **twelve-month period prior to the date of the notice of intent, the average number of**

53 full-time employees located at the project facility. In the event the project facility has not
54 been in operation for a full twelve-month period, the average number of full-time
55 employees for the number of months the project facility has been in operation prior to the
56 date of the notice of intent;

57 (16) "Qualified company", a firm, partnership, joint venture, association, private
58 or public corporation whether organized for profit or not, or headquarters of such entity
59 registered to do business in Missouri that is the owner or operator of a project facility,
60 offers health insurance to all full-time employees of all facilities located in this state, and
61 pays at least fifty percent of such insurance premiums. For the purposes of sections
62 620.800 to 620.809, the term "qualified company" shall not include:

63 (a) Gambling establishments (NAICS industry group 7132);

64 (b) Retail trade establishments (NAICS sectors 44 and 45), except with respect to
65 any company headquartered in this state with a majority of its full-time employees engaged
66 in operations not within the NAICS codes specified in this subdivision;

67 (c) Food and drinking places (NAICS subsector 722);

68 (d) Public utilities (NAICS 221 including water and sewer services);

69 (e) Any company that is delinquent in the payment of any nonprotested taxes or
70 any other amounts due the state or federal government or any other political subdivision
71 of this state;

72 (f) Any company requesting benefits for retained jobs that has filed for or has
73 publicly announced its intention to file for bankruptcy protection. However, a company
74 that has filed for or has publicly announced its intention to file for bankruptcy, may be a
75 qualified company provided that such company:

76 a. Certifies to the department that it plans to reorganize and not to liquidate; and

77 b. After its bankruptcy petition has been filed, it produces proof, in a form and at
78 times satisfactory to the department, that it is not delinquent in filing any tax returns or
79 making any payment due to the state of Missouri, including but not limited to all tax
80 payments due after the filing of the bankruptcy petition and under the terms of the plan
81 of reorganization.

82

83 Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy
84 under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., as amended shall
85 immediately notify the department and shall forfeit such benefits and shall repay the state
86 an amount equal to any state tax credits already redeemed and any withholding taxes
87 already retained;

88 (g) Educational services (NAICS sector 61);

89 (h) Religious organizations (NAICS industry group 8131);

- 90 (i) Public administration (NAICS sector 92);
91 (j) Ethanol distillation or production; or
92 (k) Biodiesel production.

93

94 Notwithstanding any provision of this section to the contrary, the headquarters,
95 administrative offices, or research and development facilities of an otherwise excluded
96 business may qualify for benefits if the offices or facilities serve a multistate territory. In
97 the event a national, state, or regional headquarters operation is not the predominant
98 activity of a project facility, the jobs and investment of such operation shall be considered
99 eligible for benefits under this section if the other requirements are satisfied;

100 (17) "Related company":

101 (a) A corporation, partnership, trust, or association controlled by the qualified
102 company;

103 (b) An individual, corporation, partnership, trust, or association in control of the
104 qualified company; or

105 (c) Corporations, partnerships, trusts, or associations controlled by an individual,
106 corporation, partnership, trust, or association in control of the qualified company. As used
107 in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly,
108 of stock possessing at least fifty percent of the total combined voting power of all classes
109 of stock entitled to vote, "control of a partnership or association" shall mean ownership
110 of at least fifty percent of the capital or profits interest in such partnership or association,
111 "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent
112 of the beneficial interest in the principal or income of such trust, and ownership shall be
113 determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

114 (18) "Related facility", a facility operated by the qualified company or a related
115 company located in this state that is directly related to the operations of the project facility
116 or in which operations substantially similar to the operations of the project facility are
117 performed;

118 (19) "Related facility base employment", the greater of the number of full-time
119 employees located at all related facilities on the date of the notice of intent or, for the
120 twelve-month period prior to the date of the notice of intent, the average number of
121 full-time employees located at all related facilities of the qualified company or a related
122 company located in this state;

123 (20) "Retained job", the average number of full-time employees of a qualified
124 company located at the project facility during each month for the calendar year preceding
125 the year in which the notice of intent is submitted;

(21) "Retained jobs credit", the credit from withholding remitted by a qualified company provided under subsection 6 of section 620.809;

(22) "Targeted industry", an industry or one of a cluster of industries identified by the department by rule following a strategic planning process as being critical to the state's economic security and growth;

(23) "Training program", the MO jobs training program established under sections 620.800 to 620.809;

(24) "Training project", the project or projects established through the MO jobs training program for the creation or retention of jobs by providing education and training of workers;

(25) "Training project costs", all necessary and incidental costs of providing program services through the training program, including:

(a) Training materials and supplies;

(b) Wages and benefits of instructors, who may or may not be employed by the eligible industry, and the cost of training such instructors;

(c) Subcontracted services;

(d) On-the-job training;

(e) Training facilities and equipment;

(f) Skill assessment;

(g) Training project and curriculum development;

(h) Travel directly to the training project, including a coordinated transportation program for trainings if the training can be more effectively provided outside the community where the jobs are to be located;

(i) Payments to third party training providers and to the eligible industry;

(j) Teaching and assistance provided by educational institutions in the state of Missouri;

(k) In-plant training analysis, including fees for professionals and necessary travel and expenses;

(l) Assessment and preselection tools;

(m) Publicity;

(n) Instructional services;

(o) Rental of instructional facilities with necessary utilities; and

(p) Payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, and the funding and maintenance of a debt service reserve fund to secure such certificates;

(26) "Training project services", includes, but shall not be limited to, the following:

- 162 (a) Job training, which may include, but not be limited to, preemployment training,
163 analysis of the specified training needs for a qualified company, development of training
164 plans, and provision of training through qualified training staff;
165 (b) Adult basic education and job-related instruction;
166 (c) Vocational and skill-assessment services and testing;
167 (d) Training facilities, equipment, materials, and supplies;
168 (e) On-the-job training;
169 (f) Administrative expenses equal to fifteen percent of the total training costs;
170 (g) Subcontracted services with state institutions of higher education, private
171 colleges or universities, or other federal, state, or local agencies;
172 (h) Contracted or professional services; and
173 (i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "MO Jobs Training Program" to
2 assist qualified companies for the training of employees in new jobs and the retraining or
3 upgrading of skills of full-time employees in retained jobs as provided in sections 620.800
4 to 620.809. The training program shall be funded through appropriations to the funds
5 established under sections 620.806 and 620.809. The department shall, to the maximum
6 extent practicable, prioritize funding under the training program to assist qualified
7 companies in targeted industries.

8 2. There is hereby created the "MO Jobs Training Joint Legislative Oversight
9 Committee". The committee shall consist of three members of the Missouri senate
10 appointed by the president pro tem of the senate; and three members of the house of
11 representatives appointed by the speaker of the house. No more than two of the members
12 of the senate and two of the members of the house of representatives shall be from the same
13 political party. Members of the committee shall report to the governor, the president pro
14 tem of the senate and the speaker of the house of representatives on all assistance to
15 industries under the provisions of sections 620.800 to 620.809 provided during the
16 preceding fiscal year. The report of the committee shall be delivered no later than October
17 first of each year. The director of the department shall report to the committee such
18 information as the committee may deem necessary for its annual report. Members of the
19 committee shall receive no compensation in addition to their salary as members of the
20 general assembly, but may receive their necessary expenses while attending the meetings
21 of the committee, to be paid out of the joint contingent fund.

22 3. The department shall publish guidelines and may promulgate rules and
23 regulations governing the training program. Any rule or portion of a rule, as that term is
24 defined in section 536.010, that is created under the authority delegated in this section shall
25 become effective only if it complies with and is subject to all of the provisions of chapter

26 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and
27 if any of the powers vested with the general assembly pursuant to chapter 536 to review,
28 to delay the effective date, or to disapprove and annul a rule are subsequently held
29 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
30 after the effective date of this act, shall be invalid and void.

31 4. The department shall make program applications and guidelines available
32 on-line.

33 5. The department may contract with other entities, including businesses,
34 industries, other state agencies, and the political subdivisions of the state for the purposes
35 of carrying out the provisions of the training program established in sections 620.800 to
36 620.809. Any assistance through the training program shall be provided pursuant to an
37 agreement.

38 6. Prior to the authorization of any application submitted through the training
39 program, the department shall verify the applicant's tax payment status and offset any
40 delinquencies as provided in section 135.815.

620.806. 1. The "Missouri Job Development Fund", formerly established in the
2 state treasury by section 620.478, shall now be known as the "MO Jobs Development
3 Fund" and shall be administered by the department for the training program. The fund
4 shall consist of all moneys which may be appropriated to it by the general assembly and
5 also any gifts, contributions, grants, or bequests received from federal, private or other
6 sources, including, but not limited to, any block grant or other sources of funding relating
7 to job training, school-to-work transition, welfare reform, vocational and technical
8 training, housing, infrastructure, development, and human resource investment programs
9 which may be provided by the federal government or other sources.

10 2. The department may provide financial assistance through the training program
11 to qualified companies that create new jobs which will result in the need for training, or
12 that make new capital investment relating directly to the retention of retained jobs in an
13 amount at least five times greater than the amount of any financial assistance. Financial
14 assistance may also be provided to a consortium of qualified companies organized for the
15 purpose of providing for common training to the consortium members' employees. Funds
16 in the MO jobs development fund shall be appropriated, for financial assistance through
17 the training program, by the general assembly to the department and shall be administered
18 by a local educational agency certified by the department for such purpose. Except for
19 state-sponsored preemployment training, no qualified company shall receive more than
20 fifty percent of its training program costs from the MO jobs development fund. No funds
21 shall be awarded or reimbursed to any qualified company for the training, retraining, or
22 upgrading of skills of potential employees with the purpose of replacing or supplanting

23 employees engaged in an authorized work stoppage. Upon approval by the department,
24 training project costs, except the purchase of training equipment and training facilities,
25 shall be eligible for reimbursement with funds from the MO jobs development fund.
26 Notwithstanding any provision of law to the contrary, no qualified company within a
27 service industry shall be eligible for assistance under this subsection unless such qualified
28 company provides services in interstate commerce, which shall mean that the qualified
29 company derives a majority of its annual revenues from out of the state.

30 3. The department may provide assistance, through appropriations made from the
31 MO jobs development fund, to business and technology centers. Such assistance shall not
32 include the lending of the state's credit for the payment of any liability of the fund. Such
33 centers may be established by Missouri community colleges, or a state-owned
34 postsecondary technical college, to provide business and training services for growth
35 industries as determined by current labor market information.

620.809. 1. The "Missouri Community College Job Training Program Fund",
2 formerly established in the state treasury by section 178.896, shall now be known as the
3 "MO Jobs Community College New Jobs Training Fund", and shall be administered by
4 the department for the training program. The department of revenue shall credit to the
5 fund, as received, all new jobs credits. The fund shall also consist of any gifts,
6 contributions, grants, or bequests received from federal, private, or other sources. The
7 general assembly, however, shall not provide for any transfer of general revenue funds into
8 the fund. Moneys in the fund shall be disbursed to the department pursuant to regular
9 appropriations by the general assembly. The department shall disburse such appropriated
10 funds in a timely manner into the special funds established by community college districts
11 for training projects, which funds shall be used to pay training project costs. Such
12 disbursements shall be made to the special fund for each training project in the same
13 proportion as the new jobs credit remitted by the qualified company participating in such
14 project bears to the total new jobs credit from withholding remitted by all qualified
15 companies participating in projects during the period for which the disbursement is made.
16 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general
17 revenue fund, as provided in section 33.080, but shall remain in the fund.

18 2. The "Missouri Community College Job Retention Training Program Fund",
19 formerly established in the state treasury by section 178.764, shall now be known as the
20 "MO Jobs Community College Job Retention Training Fund", and shall be administered
21 by the department for the MO jobs training program. The department of revenue shall
22 credit to the fund, as received, all retained jobs credits. The fund shall also consist of any
23 gifts, contributions, grants, or bequests received from federal, private, or other sources.
24 The general assembly, however, shall not provide for any transfer of general revenue funds

25 into the fund. Moneys in the fund shall be disbursed to the department pursuant to
26 regular appropriations by the general assembly. The department shall disburse such
27 appropriated funds in a timely manner into the special funds established by community
28 college districts for projects, which funds shall be used to pay training program costs,
29 including the principal, premium, and interest on certificates issued by the district to
30 finance or refinance, in whole or in part, a project. Such disbursements by the department
31 shall be made to the special fund for each project in the same proportion as the retained
32 jobs credit from withholding remitted by the qualified company participating in such
33 project bears to the total retained jobs credit from withholding remitted by qualified
34 companies participating in projects during the period for which the disbursement is made.
35 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general
36 revenue fund, as provided in section 33.080, but shall remain in the fund.

37 3. The department of revenue shall develop such forms as are necessary to
38 demonstrate accurately each qualified company's new jobs credit paid into the MO jobs
39 community college new jobs training fund or retained jobs credit paid into the MO jobs
40 community college job retention training fund. The new or retained jobs credits shall be
41 accounted as separate from the normal withholding tax paid to the department of revenue
42 by the qualified company. Reimbursements made by all qualified companies to the MO
43 jobs community college new jobs training fund and the MO jobs community college job
44 retention training fund shall be no less than all allocations made by the department to all
45 community college districts for all projects. The qualified company shall remit the amount
46 of the new or retained jobs credit, as applicable, to the department of revenue in the same
47 manner as provided in sections 143.191 to 143.265.

48 4. A community college district, with the approval of the department in
49 consultation with the office of administration, may enter into an agreement to establish a
50 training project and provide training project services to a qualified company. As soon as
51 possible after initial contact between a community college district and a potential qualified
52 company regarding the possibility of entering into an agreement, the district shall inform
53 the department of the potential training project. The department shall evaluate the
54 proposed training project within the overall job training efforts of the state to ensure that
55 the training project will not duplicate other job training programs. The department shall
56 have fourteen days from receipt of a notice of intent to approve or disapprove training
57 projects. If no response is received by the qualified company within fourteen days, the
58 training project shall be deemed approved. Disapproval of any training project shall be
59 made in writing and state the reasons for such disapproval. If an agreement is entered
60 into, the district and the qualified company shall notify the department of revenue within
61 fifteen calendar days. In addition to any provisions required under subsection 5 of this

62 section for a qualified company applying to receive a retained job credit, an agreement
63 may provide, but shall not be limited to:

64 (1) Payment of training project costs, which may be paid from one or a combination
65 of the following sources:

66 (a) Funds appropriated by the general assembly to the MO jobs community college
67 new jobs training program fund or MO jobs community college job retention training
68 program fund, as applicable, and disbursed by the department for the purposes consistent
69 with sections 620.800 to 620.809;

70 (b) Tuition, student fees, or special charges fixed by the board of trustees to defray
71 training project costs in whole or in part;

72 (2) Payment of training project costs shall not be deferred for a period longer than
73 eight years;

74 (3) Costs of on-the-job training for employees shall include wages or salaries of
75 participating employees. Payments for on-the-job training shall not exceed the average of
76 fifty percent of the total wages paid by the qualified company to each participant during
77 the period of training. Payment for on-the-job training may continue for up to six months
78 from the date the training begins;

79 (4) A provision which fixes the minimum amount of new or retained jobs credits,
80 or tuition and fee payments which shall be paid for training project costs;

81 (5) Any payment required to be made by a qualified company shall constitute a lien
82 upon the qualified company's business property until paid and have equal priority with
83 ordinary taxes and shall not be divested by a judicial sale. Property subject to such lien
84 may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties,
85 and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale
86 shall obtain the property subject to the remaining payments.

87 5. Any qualified company that submits a notice of intent for retained job credits
88 shall enter into an agreement providing that the qualified company has:

89 (1) Maintained at least one hundred full-time employees per year at the project
90 facility for the calendar year preceding the year in which the application is made;

91 (2) Retained, at the project facility, the same number of employees that existed in
92 the taxable year immediately preceding the year in which application is made; and

93 (3) Made or agrees to make a new capital investment of greater than five times the
94 amount of any award under this training program at the project facility over a period of
95 two consecutive calendar years, as certified by the qualified company and:

96 (a) Has made substantial investment in new technology requiring the upgrading
97 of employee skills; or

98 (b) Is located in a border county of the state and represent a potential risk of
99 relocation from the state; or

100 (c) Has been determined to represent a substantial risk of relocation from the state
101 by the director of the department of economic development.

102 6. If an agreement provides that all or part of training program costs are to be met
103 by receipt of new or retained jobs credit, such new or retained jobs credit from
104 withholding shall be determined and paid as follows:

105 (1) New or retained jobs credit shall be based upon the wages paid to the employees
106 in the new or retained jobs;

107 (2) A portion of the total payments made by the qualified companies under sections
108 143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding.
109 Such portion shall be an amount equal to two and one-half percent of the gross wages paid
110 by the qualified company for each of the first one hundred jobs included in the project and
111 one and one-half percent of the gross wages paid by the qualified company for each of the
112 remaining jobs included in the project. If business or employment conditions cause the
113 amount of the new or retained jobs credit from withholding to be less than the amount
114 projected in the agreement for any time period, then other withholding tax paid by the
115 qualified company under sections 143.191 to 143.265 shall be credited to the applicable
116 fund by the amount of such difference. The qualified company shall remit the amount of
117 the new or retained jobs credit to the department of revenue in the manner prescribed in
118 sections 143.191 to 143.265. When all training program costs have been paid, the new or
119 retained jobs credits shall cease;

120 (3) The community college district participating in a project shall establish a special
121 fund for and in the name of the training project. All funds appropriated by the general
122 assembly from the funds established under subsections 1 and 2 of this section, and
123 disbursed by the department for the training project and other amounts received by the
124 district for training project costs as required by the agreement shall be deposited in the
125 special fund. Amounts held in the special fund shall be used and disbursed by the district
126 only to pay training project costs for such training project. The special fund may be
127 divided into such accounts and subaccounts as shall be provided in the agreement, and
128 amounts held therein may be invested in the same manner as the district's other funds;

129 (4) Any disbursement for training project costs, received from the department
130 under sections 620.800 to 620.809 and placed into the training project's special fund may
131 be irrevocably pledged by a community college district for the payment of the principal,
132 premium, and interest on the certificate issued by a community college district to finance
133 or refinance, in whole or in part, such training project;

134 (5) The qualified company shall certify to the department of revenue that the new
135 or retained jobs credit is in accordance with an agreement and shall provide other
136 information the department of revenue may require;

137 (6) An employee participating in a training project shall receive full credit under
138 section 143.211, for the amount designated as a new or retained jobs credit;

139 (7) If an agreement provides that all or part of training program costs are to be met
140 by receipt of new or retained jobs credit, the provisions of this subsection shall also apply
141 to any successor to the original qualified company until such time as the principal and
142 interest on the certificates have been paid.

143 7. To provide funds for the present payment of the training project costs of new or
144 retained jobs training project through the training program, a community college district
145 may borrow money and issue and sell certificates payable from a sufficient portion of the
146 future receipts of payments authorized by the agreement including disbursements from the
147 MO jobs community college new jobs training fund or the MO jobs community college job
148 retention training fund, to the special fund established by the district for each project. The
149 total amount of outstanding certificates sold by all community college districts shall not
150 exceed the total amount authorized pursuant to law as of January 1, 2011, unless an
151 increased amount is authorized in writing by a majority of members of the committee. The
152 certificates shall be marketed through financial institutions authorized to do business in
153 Missouri. The receipts shall be pledged to the payment of principal of and interest on the
154 certificates. Certificates may be sold at public sale or at private sale at par, premium, or
155 discount of not less than ninety-five percent of the par value thereof, at the discretion of
156 the board of trustees, and may bear interest at such rate or rates as the board of trustees
157 shall determine, notwithstanding the provisions of section 108.170 to the contrary.
158 However, the provisions of chapter 176 shall not apply to the issuance of such certificates.
159 Certificates may be issued with respect to a single project or multiple projects and may
160 contain terms or conditions as the board of trustees may provide by resolution authorizing
161 the issuance of the certificates.

162 8. Certificates issued to refund other certificates may be sold at public sale or at
163 private sale as provided in this section with the proceeds from the sale to be used for the
164 payment of the certificates being refunded. The refunding certificates may be exchanged
165 in payment and discharge of the certificates being refunded, in installments at different
166 times or an entire issue or series at one time. Refunding certificates may be sold or
167 exchanged at any time on, before, or after the maturity of the outstanding certificates to
168 be refunded. They may be issued for the purpose of refunding a like, greater, or lesser
169 principal amount of certificates and may bear a higher, lower, or equivalent rate of interest
170 than the certificates being renewed or refunded.

171 **9. Before certificates are issued, the board of trustees shall publish once a notice of**
172 **its intention to issue the certificates, stating the amount, the purpose, and the project or**
173 **projects for which the certificates are to be issued. A person with standing may, within**
174 **fifteen days after the publication of the notice, by action in the circuit court of a county in**
175 **the district, appeal the decision of the board of trustees to issue the certificates. The action**
176 **of the board of trustees in determining to issue the certificates shall be final and conclusive**
177 **unless the circuit court finds that the board of trustees has exceeded its legal authority. An**
178 **action shall not be brought which questions the legality of the certificates, the power of the**
179 **board of trustees to issue the certificates, the effectiveness of any proceedings relating to**
180 **the authorization of the project, or the authorization and issuance of the certificates from**
181 **and after fifteen days from the publication of the notice of intention to issue.**

182 **10. The board of trustees shall make a finding based on information supplied by**
183 **the qualified company that revenues provided in the agreement are sufficient to secure the**
184 **faithful performance of obligations in the agreement.**

185 **11. Certificates issued under this section shall not be deemed to be an indebtedness**
186 **of the state or the community college district or of any other political subdivision of the**
187 **state, and the principal and interest on any certificates shall be payable only from the**
188 **sources provided in subdivision (1) of subsection 4 of this section which are pledged in the**
189 **agreement.**

190 **12. The provisions of the new program authorized under sections 620.800 to**
191 **620.809 shall sunset automatically on July 1, 2018, unless reauthorized by an act of the**
192 **general assembly.**

 620.1878. For the purposes of sections 620.1875 to 620.1890, the following terms shall
2 mean:

3 (1) "Approval", a document submitted by the department to the qualified company that
4 states the benefits that may be provided by this program;

5 (2) "Average wage", the new payroll divided by the number of new jobs;

6 (3) "Commencement of operations", the starting date for the qualified company's first
7 new employee, which must be no later than twelve months from the date of the approval;

8 (4) "County average wage", the average wages in each county as determined by the
9 department for the most recently completed full calendar year. However, if the computed county
10 average wage is above the statewide average wage, the statewide average wage shall be deemed
11 the county average wage for such county for the purpose of determining eligibility. The
12 department shall publish the county average wage for each county at least annually.
13 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company
14 that in conjunction with their project is relocating employees from a Missouri county with a
15 higher county average wage, the company shall obtain the endorsement of the governing body

16 of the community from which jobs are being relocated or the county average wage for their
17 project shall be the county average wage for the county from which the employees are being
18 relocated;

19 (5) "Department", the Missouri department of economic development;

20 (6) "Director", the director of the department of economic development;

21 (7) "Employee", a person employed by a qualified company;

22 (8) "Full-time employee", an employee of the qualified company that is scheduled to
23 work an average of at least thirty-five hours per week for a twelve-month period, and one for
24 which the qualified company offers health insurance and pays at least fifty percent of such
25 insurance premiums;

26 (9) "High-impact project", a qualified company that, within two years from
27 commencement of operations, creates one hundred or more new jobs;

28 (10) "Local incentives", the present value of the dollar amount of direct benefit received
29 by a qualified company for a project facility from one or more local political subdivisions, but
30 shall not include loans or other funds provided to the qualified company that must be repaid by
31 the qualified company to the political subdivision;

32 (11) "NAICS", the 1997 edition of the North American Industry Classification System
33 as prepared by the Executive Office of the President, Office of Management and Budget. Any
34 NAICS sector, subsector, industry group or industry identified in this section shall include its
35 corresponding classification in subsequent federal industry classification systems;

36 (12) "New direct local revenue", the present value of the dollar amount of direct net new
37 tax revenues of the local political subdivisions likely to be produced by the project over a
38 ten-year period as calculated by the department, excluding local earnings tax, and net new utility
39 revenues, provided the local incentives include a discount or other direct incentives from utilities
40 owned or operated by the political subdivision;

41 (13) **"New capital investment", shall include costs incurred by the qualified**
42 **company at the project facility after acceptance by the qualified company of the proposal**
43 **for benefits from the department or the approval of the notice of intent, whichever occurs**
44 **first, for real or personal property, and may include the value of finance or capital leases**
45 **for real or personal property for the term of such lease at the project facility executed after**
46 **acceptance by the qualified company of the proposal for benefits from the department or**
47 **approval of the notice of intent;**

48 (14) "New investment", the purchase or leasing of new tangible assets to be placed in
49 operation at the project facility, which will be directly related to the new jobs;

50 [(14)] (15) "New job", the number of full-time employees located at the project facility
51 that exceeds the project facility base employment less any decrease in the number of full-time
52 employees at related facilities below the related facility base employment. No job that was

53 created prior to the date of the notice of intent shall be deemed a new job. An employee that
54 spends less than fifty percent of the employee's work time at the facility is still considered to be
55 located at a facility if the employee receives his or her directions and control from that facility,
56 is on the facility's payroll, one hundred percent of the employee's income from such employment
57 is Missouri income, and the employee is paid at or above the state average wage;

58 [(15)] **(16)** "New payroll", the amount of taxable wages of full-time employees,
59 excluding owners, located at the project facility that exceeds the project facility base payroll. If
60 full-time employment at related facilities is below the related facility base employment, any
61 decrease in payroll for full-time employees at the related facilities below that related facility base
62 payroll shall also be subtracted to determine new payroll;

63 [(16)] **(17)** "Notice of intent", a form developed by the department, completed by the
64 qualified company and submitted to the department which states the qualified company's intent
65 to hire new jobs and request benefits under this program;

66 [(17)] **(18)** "Percent of local incentives", the amount of local incentives divided by the
67 amount of new direct local revenue;

68 [(18)] **(19)** "Program", the Missouri quality jobs program provided in sections 620.1875
69 to 620.1890;

70 [(19)] **(20)** "Project facility", the building used by a qualified company at which the new
71 jobs and new investment will be located. A project facility may include separate buildings that
72 are located within fifteen miles of each other or within the same county such that their purpose
73 and operations are interrelated;

74 [(20)] **(21)** "Project facility base employment", the greater of the number of full-time
75 employees located at the project facility on the date of the notice of intent or for the
76 twelve-month period prior to the date of the notice of intent, the average number of full-time
77 employees located at the project facility. In the event the project facility has not been in
78 operation for a full twelve-month period, the average number of full-time employees for the
79 number of months the project facility has been in operation prior to the date of the notice of
80 intent;

81 [(21)] **(22)** "Project facility base payroll", the total amount of taxable wages paid by the
82 qualified company to full-time employees of the qualified company located at the project facility
83 in the twelve months prior to the notice of intent, not including the payroll of the owners of the
84 qualified company unless the qualified company is participating in an employee stock ownership
85 plan. For purposes of calculating the benefits under this program, the amount of base payroll
86 shall increase each year based on an appropriate measure, as determined by the department;

87 [(22)] **(23)** "Project period", the time period that the benefits are provided to a qualified
88 company;

89 **(24) "Projected net fiscal benefit", the total fiscal benefit to the state less any state**
90 **benefits offered to the qualified company;**

91 [(23)] **(25) "Qualified company", a firm, partnership, joint venture, association, private**
92 **or public corporation whether organized for profit or not, or headquarters of such entity**
93 **registered to do business in Missouri that is the owner or operator of a project facility, offers**
94 **health insurance to all full-time employees of all facilities located in this state, and pays at least**
95 **fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890,**
96 **the term "qualified company" shall not include:**

97 (a) Gambling establishments (NAICS industry group 7132);

98 (b) Retail trade establishments (NAICS sectors 44 and 45);

99 (c) Food and drinking places (NAICS subsector 722);

100 (d) Public utilities (NAICS 221 including water and sewer services);

101 (e) Any company that is delinquent in the payment of any nonprotested taxes or any
102 other amounts due the state or federal government or any other political subdivision of this state;

103 (f) Any company that has filed for or has publicly announced its intention to file for
104 bankruptcy protection. However, a company that has filed for or has publicly announced its
105 intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a
106 qualified company provided that such company:

107 a. Certifies to the department that it plans to reorganize and not to liquidate; and

108 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times
109 satisfactory to the department, that it is not delinquent in filing any tax returns or making any
110 payment due to the state of Missouri, including but not limited to all tax payments due after the
111 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer
112 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of
113 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and
114 shall forfeit such benefits and shall repay the state an amount equal to any state tax credits
115 already redeemed and any withholding taxes already retained;

116 (g) Educational services (NAICS sector 61);

117 (h) Religious organizations (NAICS industry group 8131);

118 (i) Public administration (NAICS sector 92);

119 (j) Ethanol distillation or production; or

120 (k) Biodiesel production. Notwithstanding any provision of this section to the contrary,
121 the headquarters or administrative offices of an otherwise excluded business may qualify for
122 benefits if the offices serve a multistate territory. In the event a national, state, or regional
123 headquarters operation is not the predominant activity of a project facility, the new jobs and
124 investment of such headquarters operation is considered eligible for benefits under this section
125 if the other requirements are satisfied;

126 [(24)] **(26)** "Qualified renewable energy sources" shall not be construed to include
127 ethanol distillation or production or biodiesel production; however, it shall include:

- 128 (a) Open-looped biomass;
- 129 (b) Close-looped biomass;
- 130 (c) Solar;
- 131 (d) Wind;
- 132 (e) Geothermal; and
- 133 (f) Hydropower;

134 [(25)] **(27)** "Related company" means:

- 135 (a) A corporation, partnership, trust, or association controlled by the qualified company;
- 136 (b) An individual, corporation, partnership, trust, or association in control of the
137 qualified company; or

138 (c) Corporations, partnerships, trusts or associations controlled by an individual,
139 corporation, partnership, trust or association in control of the qualified company. As used in this
140 subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock
141 possessing at least fifty percent of the total combined voting power of all classes of stock entitled
142 to vote, "control of a partnership or association" shall mean ownership of at least fifty percent
143 of the capital or profits interest in such partnership or association, "control of a trust" shall mean
144 ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal
145 or income of such trust, and ownership shall be determined as provided in Section 318 of the
146 Internal Revenue Code of 1986, as amended;

147 [(26)] **(28)** "Related facility", a facility operated by the qualified company or a related
148 company located in this state that is directly related to the operations of the project facility;

149 [(27)] **(29)** "Related facility base employment", the greater of the number of full-time
150 employees located at all related facilities on the date of the notice of intent or for the
151 twelve-month period prior to the date of the notice of intent, the average number of full-time
152 employees located at all related facilities of the qualified company or a related company located
153 in this state;

154 [(28)] **(30)** "Related facility base payroll", the total amount of taxable wages paid by the
155 qualified company to full-time employees of the qualified company located at a related facility
156 in the twelve months prior to the filing of the notice of intent, not including the payroll of the
157 owners of the qualified company unless the qualified company is participating in an employee
158 stock ownership plan. For purposes of calculating the benefits under this program, the amount
159 of related facility base payroll shall increase each year based on an appropriate measure, as
160 determined by the department;

161 [(29)] (31) "Rural area", a county in Missouri with a population less than seventy-five
162 thousand or that does not contain an individual city with a population greater than fifty thousand
163 according to the most recent federal decennial census;

164 [(30)] (32) "Small and expanding business project", a qualified company that within two
165 years of the date of the approval creates a minimum of twenty new jobs if the project facility is
166 located in a rural area or a minimum of forty new jobs if the project facility is not located in a
167 rural area and creates fewer than one hundred new jobs regardless of the location of the project
168 facility;

169 [(31)] (33) "Tax credits", tax credits issued by the department to offset the state income
170 taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this
171 program;

172 [(32)] (34) "Technology business project", a qualified company that within two years
173 of the date of the approval creates a minimum of ten new jobs involved in the operations of a
174 company:

175 (a) Which is a technology company, as determined by a regulation promulgated by the
176 department under the provisions of section 620.1884 or classified by NAICS codes;

177 (b) Which owns or leases a facility which produces electricity derived from qualified
178 renewable energy sources, or produces fuel for the generation of electricity from qualified
179 renewable energy sources, but does not include any company that has received the alcohol
180 mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section 40
181 of the tax code in the previous tax year;

182 (c) Which researches, develops, or manufactures power system technology for:
183 aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices; or

184 (d) Which is a clinical molecular diagnostic laboratory focused on detecting and
185 monitoring infections in immunocompromised patient populations;

186 [(33)] (35) "Withholding tax", the state tax imposed by sections 143.191 to 143.265.
187 For purposes of this program, the withholding tax shall be computed using a schedule as
188 determined by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the

10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified
21 company has filed and received approval of a notice of intent and subsequently files another
22 notice of intent, the department shall apply the definition of project facility under subdivision
23 [(19)] **(20)** of section 620.1878 to the new notice of intent as well as all previously approved
24 notices of intent and shall determine the application of the definitions of new job, new payroll,
25 project facility base employment, and project facility base payroll accordingly.

26 2. Notwithstanding any provision of law to the contrary, any qualified company that is
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any
30 other state programs for which the company is eligible and which utilize withholding tax from
31 the new jobs of the company must first be credited to the other state program before the
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
33 These other state programs include, but are not limited to, the new jobs training program under
34 sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the
35 real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the
36 Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any
37 qualified company also participates in the new jobs training program in sections 178.892 to
38 178.896, the company shall retain no withholding tax, but the department shall issue a refundable
39 tax credit for the full amount of benefit allowed under this [subdivision] **subsection**. The
40 calendar year annual maximum amount of tax credits which may be issued to a qualifying
41 company that also participates in the new job training program shall be increased by an amount
42 equivalent to the withholding tax retained by that company under the new jobs training program.
43 However, if the combined benefits of the quality jobs program and the new jobs training program
44 exceed the projected state benefit of the project, as determined by the department of economic
45 development through a cost-benefit analysis, the increase in the maximum tax credits shall be
46 limited to the amount that would not cause the combined benefits to exceed the projected state

47 benefit. Any taxpayer who is awarded benefits under this program who knowingly hires
48 individuals who are not allowed to work legally in the United States shall immediately forfeit
49 such benefits and shall repay the state an amount equal to any state tax credits already redeemed
50 and any withholding taxes already retained.

51 3. The types of projects and the amount of benefits to be provided are:

52 (1) Small and expanding business projects: in exchange for the consideration provided
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs
54 created by the program, a qualified company may retain an amount equal to the withholding tax
55 as calculated under subdivision [(33)] **(35)** of section 620.1878 from the new jobs that would
56 otherwise be withheld and remitted by the qualified company under the provisions of sections
57 143.191 to 143.265 for a period of three years from the date the required number of new jobs
58 were created if the average wage of the new payroll equals or exceeds the county average wage
59 or for a period of five years from the date the required number of new jobs were created if the
60 average wage of the new payroll equals or exceeds one hundred twenty percent of the county
61 average wage;

62 (2) Technology business projects: in exchange for the consideration provided by the new
63 tax revenues and other economic stimuli that will be generated by the new jobs created by the
64 program, a qualified company may retain an amount equal to a maximum of five percent of new
65 payroll for a period of five years from the date the required number of jobs were created from
66 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
67 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of
68 the new payroll equals or exceeds the county average wage. An additional one-half percent of
69 new payroll may be added to the five percent maximum if the average wage of the new payroll
70 in any year exceeds one hundred twenty percent of the county average wage in the county in
71 which the project facility is located, plus an additional one-half percent of new payroll may be
72 added if the average wage of the new payroll in any year exceeds one hundred forty percent of
73 the average wage in the county in which the project facility is located. The department shall
74 issue a refundable tax credit for any difference between the amount of benefit allowed under this
75 subdivision and the amount of withholding tax retained by the company, in the event the
76 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
77 company under this subdivision;

78 (3) High impact projects: in exchange for the consideration provided by the new tax
79 revenues and other economic stimuli that will be generated by the new jobs created by the
80 program, a qualified company may retain an amount from the withholding tax of the new jobs
81 that would otherwise be withheld and remitted by the qualified company under the provisions
82 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years
83 from the date the required number of jobs were created if the average wage of the new payroll

84 equals or exceeds the county average wage of the county in which the project facility is located.
85 For high-impact projects in a facility located within two adjacent counties, the new payroll shall
86 equal or exceed the higher county average wage of the adjacent counties. The percentage of
87 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the
88 average wage of the new payroll in any year exceeds one hundred twenty percent of the county
89 average wage in the county in which the project facility is located. The percentage of payroll
90 allowed under this subdivision shall be four percent of new payroll if the average wage of the
91 new payroll in any year exceeds one hundred forty percent of the county average wage in the
92 county in which the project facility is located. An additional one percent of new payroll may be
93 added to these percentages if local incentives equal between ten percent and twenty-four percent
94 of the new direct local revenue; an additional two percent of new payroll is added to these
95 percentages if the local incentives equal between twenty-five percent and forty-nine percent of
96 the new direct local revenue; or an additional three percent of payroll is added to these
97 percentages if the local incentives equal fifty percent or more of the new direct local revenue.
98 The department shall issue a refundable tax credit for any difference between the amount of
99 benefit allowed under this subdivision and the amount of withholding tax retained by the
100 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit
101 due to the qualified company under this subdivision;

102 (4) Job retention projects: a qualified company may receive a tax credit for the retention
103 of jobs in this state, provided the qualified company and the project meets all of the following
104 conditions:

105 (a) For each of the twenty-four months preceding the year in which application for the
106 program is made the qualified company must have maintained at least one thousand full-time
107 employees at the employer's site in the state at which the jobs are based, and the average wage
108 of such employees must meet or exceed the county average wage;

109 (b) The qualified company retained at the project facility the level of full-time employees
110 that existed in the taxable year immediately preceding the year in which application for the
111 program is made;

112 (c) The qualified company is considered to have a significant statewide effect on the
113 economy, and has been determined to represent a substantial risk of relocation from the state by
114 the quality jobs advisory task force established in section 620.1887; provided, however, until
115 such time as the initial at-large members of the quality jobs advisory task force are appointed,
116 this determination shall be made by the director of the department of economic development;

117 (d) The qualified company in the project facility will cause to be invested a minimum
118 of seventy million dollars in new investment prior to the end of two years or will cause to be
119 invested a minimum of thirty million dollars in new investment prior to the end of two years and

120 maintain an annual payroll of at least seventy million dollars during each of the years for which
121 a credit is claimed; and

122 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
123 new direct local revenues created by the project over a ten-year period. The quality jobs advisory
124 task force may recommend to the department of economic development that appropriate
125 penalties be applied to the company for violating the agreement. The amount of the job retention
126 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by
127 the full-time jobs at the project facility for a period of five years. The calendar year annual
128 maximum amount of tax credit that may be issued to any qualified company for a job retention
129 project or combination of job retention projects shall be seven hundred fifty thousand dollars per
130 year, but the maximum amount may be increased up to one million dollars if such action is
131 proposed by the department and approved by the quality jobs advisory task force established in
132 section 620.1887; provided, however, until such time as the initial at-large members of the
133 quality jobs advisory task force are appointed, this determination shall be made by the director
134 of the department of economic development. In considering such a request, the task force shall
135 rely on economic modeling and other information supplied by the department when requesting
136 the increased limit on behalf of the job retention project. In no event shall the total amount of
137 all tax credits issued for the entire job retention program under this subdivision exceed three
138 million dollars annually. Notwithstanding the above, no tax credits shall be issued for job
139 retention projects approved by the department after August 30, 2013;

140 **(5) Job retention projects: In lieu of the benefits provided under subdivision (4) of**
141 **this subsection and in exchange for the consideration provided by the tax revenues and**
142 **other economic stimuli that will be generated by the retention of jobs and new capital**
143 **investment in this state, a qualified company may be eligible to receive the benefits**
144 **described in this subdivision if the department determines that there is a significant**
145 **probability that the qualified company would relocate to another state in the absence of**
146 **the benefits authorized under this subdivision;**

147 **(a) A qualified company meeting the requirements of this subdivision may be**
148 **authorized to retain an amount not to exceed one hundred percent of the withholding tax**
149 **from full-time jobs that would otherwise be withheld and remitted by the qualified**
150 **company under the provisions of sections 143.191 to 143.265, for a period of ten years if**
151 **the average wage of the retained jobs equals or exceeds ninety percent of the county**
152 **average wage. In order to receive benefits under this subdivision, a qualified company**
153 **shall enter into a written agreement, with the department, containing detailed performance**
154 **requirements and repayment penalties in the event of nonperformance. The amount of**
155 **benefits awarded to a qualified company under this subdivision shall not exceed the**
156 **projected net fiscal benefit and shall not exceed the least amount necessary to obtain the**

qualified company's commitment to retain the necessary number of jobs and make the required new capital investment;

(b) In order to be eligible to receive benefits under this subdivision, the qualified company shall meet each of the following conditions:

a. The qualified company shall agree to retain, for a period of ten years from the date of approval of the notice of intent, at least one hundred and twenty-five full-time employees; and

b. The qualified company shall agree to make a new capital investment at the project facility within three years from the approval of the notice of intent in an amount equal to one half the total benefits provided under this subdivision, which are offered to the qualified company by the department;

(c) In awarding benefits under this subdivision, the department shall consider the following factors:

a. The significance of the qualified company's need for program benefits;

b. The amount of projected net fiscal benefit to the state of the project and the period in which the state would realize such net fiscal benefit;

c. The overall size and quality of the proposed project, including the number of new jobs, new capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

d. The financial stability and creditworthiness of the qualified company;

e. The level of economic distress in the area;

f. An evaluation of the competitiveness of alternative locations for the project facility, as applicable;

(d) Upon approval of a notice of intent to request benefits under this subdivision, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

a. The committed number of full-time employees, payroll, and new capital investment for each year during the project period;

b. Clawback provisions, as may be required by the department; and

c. Any other provisions the department may require;

(6) In no event shall the total amount of all benefits provided in subdivisions (5) and (7) of this subsection for all qualified companies under this subdivision exceed six million dollars for all fiscal years beginning on or after July 1, 2011;

(7) A qualified company meeting the requirements of subdivision (5) of this subsection may elect a one-time issuance of tax credits in an amount not to exceed eighty percent of the amount the qualified company may otherwise be eligible to retain for a period of ten years under subdivision (5) of this subsection;

194 **(a) In addition to satisfying each of the requirements of subdivision (5) of this**
195 **subsection, a qualified company requesting tax credits under this subdivision shall provide**
196 **to the department, prior to approval, evidence of commitments for the financing of any**
197 **applicable new capital investment. The new capital investment shall be made at the project**
198 **facility within three years of the date of approval;**

199 **(b) Upon approval of a notice of intent to request tax credits under this subdivision,**
200 **the department and the qualified company shall enter into a written agreement covering**
201 **the applicable project period. The agreement shall specify, at a minimum:**

202 **a. The committed number of jobs, payroll, and new capital investment for each**
203 **year during the project period;**

204 **b. The date or time period during which the tax credits shall be issued, which may**
205 **be immediately or over a period not to exceed three years from the date of approval;**

206 **c. Penalties, including the recapture of tax credits awarded under this subdivision,**
207 **for failure to satisfy the requirements provided under this subdivision and subdivision (5)**
208 **of this subsection; and**

209 **d. Any other provisions the department may require;**

210 **(8) Prior to the award of benefits under subdivision (5) or (7) of this subsection, the**
211 **director of the department shall notify the president pro tem of the senate and the speaker**
212 **of the house of representatives of the amount of the proposed award, including the county**
213 **and city in which the project facility is located, the number of retained jobs and the**
214 **average wages for such retained jobs, the estimated amount of new capital investment, and**
215 **the amount of the projected net fiscal benefit to the state from the project; provided that,**
216 **nothing herein shall require the disclosure of information otherwise protected from**
217 **disclosure by law;**

218 **[(5)] (9) Small business job retention and flood survivor relief: a qualified company may**
219 **receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood**
220 **survivor relief in this state for each job retained over a three-year period, provided that:**

221 **(a) The qualified company did not receive any state or federal benefits, incentives, or tax**
222 **relief or abatement in locating its facility in a flood plain;**

223 **(b) The qualified company and related companies have fewer than one hundred**
224 **employees at the time application for the program is made;**

225 **(c) The average wage of the qualified company's and related companies' employees must**
226 **meet or exceed the county average wage;**

227 **(d) All of the qualified company's and related companies' facilities are located in this**
228 **state;**

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the taxable year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

4. The qualified company shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for the benefits of this program. The department may withhold the approval of any benefits until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or new payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the minimum number of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the county average wage and the minimum number of new jobs. In such annual report, if the average wage

266 is below the county average wage, the qualified company has not maintained the employee
267 insurance as required, or if the number of new jobs is below the minimum, the qualified
268 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
269 period. In the case of a qualified company that initially filed a notice of intent and received an
270 approval from the department for high-impact benefits and the minimum number of new jobs
271 in an annual report is below the minimum for high-impact projects, the company shall not
272 receive tax credits for the balance of the benefit period but may continue to retain the
273 withholding taxes if it otherwise meets the requirements of a small and expanding business under
274 this program.

275 5. The maximum calendar year annual tax credits issued for the entire program shall not
276 exceed eighty million dollars, **with ten million dollars reserved to be awarded under**
277 **subsection 14 of this section.** Notwithstanding any provision of law to the contrary, the
278 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten
279 million dollars to eight million dollars, with the balance of two million dollars transferred to this
280 program. There shall be no limit on the amount of withholding taxes that may be retained by
281 approved companies under this program.

282 6. The department shall allocate the annual tax credits based on the date of the approval,
283 reserving such tax credits based on the department's best estimate of new jobs and new payroll
284 of the project, and the other factors in the determination of benefits of this program. However,
285 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
286 The allocation of tax credits for the period assigned to a project shall expire if, within two years
287 from the date of commencement of operations, or approval if applicable, the minimum
288 thresholds have not been achieved. The qualified company may retain authorized amounts from
289 the withholding tax under this section once the minimum new jobs thresholds are met for the
290 duration of the project period. No benefits shall be provided under this program until the
291 qualified company meets the minimum new jobs thresholds. In the event the qualified company
292 does not meet the minimum new job threshold, the qualified company may submit a new notice
293 of intent or the department may provide a new approval for a new project of the qualified
294 company at the project facility or other facilities.

295 7. For a qualified company with flow-through tax treatment to its members, partners, or
296 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
297 to their share of ownership on the last day of the qualified company's tax period.

298 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,
299 and may not be carried forward but shall be claimed within one year of the close of the taxable
300 year for which they were issued, except as provided under subdivision (4) of subsection 3 of this
301 section.

9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, the director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

12. An employee of a qualified company will receive full credit for the amount of tax withheld as provided in section 143.211.

13. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared severable.

14. For each calendar year beginning on or after January 1, 2012, but ending on or before December 31, 2013, in lieu of all other benefits available under this program, the department may authorize a qualified company meeting the requirements of this subsection and subsection 3 of this section to be issued tax credits in an amount not to exceed seven percent of new payroll from the new jobs created projected over a period of

five years from the date the required number of new jobs are to be created, or, if the qualified company is in a targeted industry identified by the department by rule following a strategic planning process as being critical to the state's economic security and growth, the department may authorize tax credits in an amount not to exceed nine percent of new payroll from the new jobs created, projected over a period of five years. The amount of benefits awarded to a qualified company under this section shall not exceed the projected net fiscal benefit to the state over a ten year period, as determined by the department, and may not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In no event shall the tax credits authorized under this subsection exceed ten million dollars annually.

(1) Prior to approval, a qualified company requesting benefits under this subsection shall provide evidence of commitments for the financing of any applicable new capital investment. The new capital investment shall be made at the project facility within two years of the date of approval of the notice of intent.

(2) In awarding tax credits under this subsection, the department shall consider factors set forth in subsection 2 of this section.

(3) Upon approval of a notice of intent to receive tax credits under this subsection, the department and the qualified company shall enter into a written agreement covering the applicable project period containing detailed performance requirements and repayment penalties in event of nonperformance. The agreement shall specify, at a minimum:

(a) The committed number of new jobs, payroll, and new capital investment for each year during the project period;

(b) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(c) Clawback provisions provided under subdivision (4) of this subsection; and

(d) Any other provisions necessary to effectuate the intent of this subsection.

(4) The following clawback provisions shall apply to any benefits awarded under this subsection:

(a) If a qualified company fails to meet any requirements of this section, including the applicable number of new jobs created or new capital investment within two years from the date of approval of its notice of intent, the qualified company shall repay the face amount of all tax credits received from the department, plus interest of nine percent per annum from the date the tax credits were issued. However, the director may, in his or her discretion, provide an extension up to two additional years or reduce such payment, if such

375 failure is caused by documented unforeseen events that negatively affected the operations
376 at the project facility that were not under the control of the qualified company;

377 (b) If, during any year of the project period, the average wage of the new payroll
378 paid by the qualified company fails to equal or exceed the applicable percentage of the
379 county average wage, or the qualified company fails to offer and pay fifty percent of the
380 premium for health insurance to all of its full-time employees located in this state, the
381 company shall refund to the state an amount equal to the face amount of all tax credits
382 received from the department under this program, divided by the number of years in the
383 project period. In addition to the refund, the qualified company shall pay interest of nine
384 percent per annum from the date the tax credits were issued on the amount of the refund;

385 (c) If the qualified company fails to meet its payroll commitment for any year
386 during the project period, it shall refund to the state a portion of its total benefit received
387 under this section based on the following formula: the total amount of tax credits received
388 by the qualified company, divided by the number of years during the project period, and
389 multiplied by a fraction, the numerator of which is the contractually agreed-upon amount
390 of payroll for that year minus the actual amount of payroll made by the company during
391 the year, and the denominator of which is the contractually agreed upon amount of payroll
392 made for that same year. In addition to the refund, the qualified company shall pay
393 interest of nine percent per annum from the date the tax credits were issued on the amount
394 of the refund;

395 (d) If the qualified company fails to meet its payroll or new capital investment
396 requirements for any year during the project period and the director has a reasonable
397 belief that the qualified company will not be able to meet its performance requirements
398 during all or any portion of the remainder of the project period, the director may require
399 the company to repay all or a proportionate amount of the total tax credits received by the
400 company attributable to the remaining years of the project period as well as the current
401 year, plus interest of nine percent per annum on the amount of repayment from the date
402 the tax credits were issued.

403 (5) Prior to the award of benefits under this subsection, the director of the
404 department shall notify the president pro tem of the senate and the speaker of the house
405 of representatives of the amount of the proposed award, including the county and city in
406 which the project facility is located, the number of new jobs and the proposed wages for
407 such new jobs, the estimated amount of new capital investment, and the amount of the
408 projected net fiscal benefit to the state from the project; provided that, nothing herein shall
409 require the disclosure of information otherwise protected from disclosure by law.

[135.313. 1. Any person, firm or corporation who engages in the
2 business of producing charcoal or charcoal products in the state of Missouri shall

3 be eligible for a tax credit on income taxes otherwise due pursuant to chapter
4 143, except sections 143.191 to 143.261, as an incentive to implement safe and
5 efficient environmental controls. The tax credit shall be equal to fifty percent of
6 the purchase price of the best available control technology equipment connected
7 with the production of charcoal in the state of Missouri or, if the taxpayer
8 manufactures such equipment, fifty percent of the manufacturing cost of the
9 equipment, to and including the year the equipment is put into service. The credit
10 may be claimed for a period of eight years beginning with the 1998 calendar year
11 and is to be a tax credit against the tax otherwise due.

12 2. Any amount of credit which exceeds the tax due shall not be refunded
13 but may be carried over to any subsequent taxable year, not to exceed seven
14 years.

15 3. The charcoal producer may elect to assign to a third party the approved
16 tax credit. Certification of assignment and other appropriate forms must be filed
17 with the Missouri department of revenue and the department of economic
18 development.

19 4. When applying for a tax credit, the charcoal producer specified in
20 subsection 1 of this section shall make application for the credit to the division
21 of environmental quality of the department of natural resources. The application
22 shall identify the specific best available control technology equipment and the
23 purchase price, or manufacturing cost of such equipment. The director of the
24 department of natural resources is authorized to require permits to construct prior
25 to the installation of best available control technology equipment and other
26 information which he or she deems appropriate.

27 5. The director of the department of natural resources in conjunction with
28 the department of economic development shall certify to the department of
29 revenue that the best available control technology equipment meets the
30 requirements to obtain a tax credit as specified in this section.]

31

[135.575. 1. As used in this section, the following terms mean:

2 (1) "Missouri health care access fund", the fund created in section
3 191.1056;

4 (2) "Tax credit", a credit against the tax otherwise due under chapter
5 143, excluding withholding tax imposed by sections 143.191 to 143.265;

6 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,
7 excluding withholding tax imposed by sections 143.191 to 143.265.

8 2. The provisions of this section shall be subject to section 33.282. For
9 all taxable years beginning on or after January 1, 2007, a taxpayer shall be
10 allowed a tax credit for donations in excess of one hundred dollars made to the
11 Missouri health care access fund. The tax credit shall be subject to annual
12 approval by the senate appropriations committee and the house budget
13 committee. The tax credit amount shall be equal to one-half of the total donation
14 made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the
15 credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's

16 state tax liability for the tax year for which the credit is claimed, the difference
17 shall not be refundable but may be carried forward to any of the taxpayer's next
18 four taxable years. No tax credit granted under this section shall be transferred,
19 sold, or assigned. The cumulative amount of tax credits which may be issued
20 under this section in any one fiscal year shall not exceed one million dollars.

21 3. The department of revenue may promulgate rules to implement the
22 provisions of this section. Any rule or portion of a rule, as that term is defined
23 in section 536.010, that is created under the authority delegated in this section
24 shall become effective only if it complies with and is subject to all of the
25 provisions of chapter 536 and, if applicable, section 536.028. This section and
26 chapter 536 are nonseverable and if any of the powers vested with the general
27 assembly pursuant to chapter 536 to review, to delay the effective date, or to
28 disapprove and annul a rule are subsequently held unconstitutional, then the grant
29 of rulemaking authority and any rule proposed or adopted after August 28, 2007,
30 shall be invalid and void.

31 4. Pursuant to section 23.253 of the Missouri sunset act:

32 (1) The provisions of the new program authorized under this section shall
33 automatically sunset six years after August 28, 2007, unless reauthorized by an
34 act of the general assembly; and

35 (2) If such program is reauthorized, the program authorized under this
36 section shall automatically sunset twelve years after the effective date of the
37 reauthorization of this section; and

38 (3) This section shall terminate on September first of the calendar year
39 immediately following the calendar year in which the program authorized under
40 this section is sunset.]

41

2 [143.119. 1. A self-employed taxpayer, as such term is used in the
3 federal internal revenue code, who is otherwise ineligible for the federal income
4 tax health insurance deduction under Section 162 of the federal internal revenue
5 code shall be entitled to a credit against the tax otherwise due under this chapter,
6 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount
7 equal to the portion of such taxpayer's federal tax liability incurred due to such
8 taxpayer's inclusion of such payments in federal adjusted gross income. The tax
9 credits authorized under this section shall be nontransferable. To the extent tax
10 credit issued under this section exceeds a taxpayer's state income tax liability,
11 such excess shall be considered an overpayment of tax and shall be refunded to
12 the taxpayer.

13 2. The director of the department of revenue shall promulgate rules and
14 regulations to administer the provisions of this section. Any rule or portion of a
15 rule, as that term is defined in section 536.010, that is created under the authority
16 delegated in this section shall become effective only if it complies with and is
17 subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
18 This section and chapter 536 are nonseverable and if any of the powers vested
with the general assembly pursuant to chapter 536 to review, to delay the

effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.]

[178.760. As used in sections 178.760 to 178.764, the following terms mean:

(1) "Agreement", the agreement between an employer and a community college district concerning a project. An agreement may be for a period not to exceed ten years when the program services associated with a project are not in excess of five hundred thousand dollars. For a project where the associated program costs are greater than five hundred thousand dollars, the agreement may not exceed a period of eight years;

(2) "Board of trustees", the board of trustees of a community college district;

(3) "Capital investment", an investment in research and development, working capital, and real and tangible personal business property except inventory or property intended for sale to customers. Trucks, truck trailers, truck semi-trailers, rail and barge vehicles and other rolling stock for hire, track, switches, barges, bridges, tunnels, rail yards, and spurs shall not qualify as a capital investment. The amount of such investment shall be the original cost of the property if owned, or eight times the net annual rental rate if leased;

(4) "Certificate", industrial retained jobs training certificates issued under section 178.763;

(5) "Date of commencement of the project", the date of the agreement;

(6) "Employee", the person employed in a retained job;

(7) "Employer", the person maintaining retained jobs in conjunction with a project;

(8) "Industry", a business located within this state which enters into an agreement with a community college district and which is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail services;

(9) "Program costs", all necessary and incidental costs of providing program services, including payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, funding and maintenance of a debt service reserve fund to secure such certificates and wages, salaries and benefits of employees participating in on-the-job training;

(10) "Program services" includes, but is not limited to, the following:

(a) Retained jobs training;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to seventeen percent of the total training costs, two percent to be paid to the department of economic development for deposit into the Missouri job development fund created under section 620.478;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates;

(11) "Project", a training arrangement which is the subject of an agreement entered into between the community college district and an employer to provide program services that is not also the subject of an agreement entered into between a community college district and an employer to provide program services under sections 178.892 to 178.896;

(12) "Retained job", a job in a stable industry, not including jobs for recalled workers, which was in existence for at least two consecutive calendar years preceding the year in which the application for the retained jobs training program was made;

(13) "Retained jobs credit from withholding", the credit as provided in section 178.762;

(14) "Retained jobs training program", or "program", the project or projects established by a community college district for the retention of jobs, by providing education and training of workers for existing jobs for stable industry in the state;

(15) "Stable industry", a business that otherwise meets the definition of industry and retains existing jobs. To be a stable industry, the business shall have:

(a) Maintained at least one hundred employees per year at the employer's site in the state at which the jobs are based, for each of the two calendar years preceding the year in which application for the program is made;

(b) Retained at that site the level of employment that existed in the taxable year immediately preceding the year in which application for the program is made; and

(c) Made or agree to make a capital investment aggregating at least one million dollars to acquire or improve long-term assets (including leased facilities) such as property, plant, or equipment (excluding program costs) at the employer's site in the state at which jobs are based over a period of three consecutive calendar years, as certified by the employer and:

a. Have made substantial investment in new technology requiring the upgrading of worker's skills; or

b. Be located in a border county of the state and represent a potential risk of relocation from the state; or

c. Be determined to represent a substantial risk of relocation from the state by the director of the department of economic development;

(16) "Total training costs", costs of training, including supplies, wages and benefits of instructors, subcontracted services, on-the-job training, training facilities, equipment, skill assessment, and all program services excluding issuance of certificates.]

[178.761. A community college district, with the approval of the department of economic development in consultation with the office of administration, may enter into an agreement to establish a project and provide program services to an employer. As soon as possible after initial contact between a community college district and a potential employer regarding the possibility of entering into an agreement, the district shall inform the division of workforce development of the department of economic development and the office of administration about the potential project. The division of workforce development shall evaluate the proposed project within the overall job training efforts of the state to ensure that the project will not duplicate other job training programs. The department of economic development shall have fourteen days from receipt of the application to approve or disapprove projects. If no response is received by the community college within fourteen days, the projects are approved. Any project that is disapproved must be in writing stating the reasons for the disapproval. If an agreement is entered into, the district and the employer shall notify the department of revenue within fifteen calendar days. An agreement may provide, but is not limited to:

(1) Payment of program costs, including deferred costs, which may be paid from one or a combination of the following sources:

(a) Funds appropriated by the general assembly from the Missouri community college job retention program fund and disbursed by the division of workforce development in respect of retained jobs credit from withholding to be received or derived from retained employment resulting from the project;

(b) Tuition, student fees, or special charges fixed by the board of trustees to defray program costs in whole or in part;

(c) Guarantee of payments to be received under paragraph (a) or (b) of this subdivision;

(2) Payment of program costs shall not be deferred for a period longer than ten years if program costs do not exceed five hundred thousand dollars, or eight years if program costs exceed five hundred thousand dollars from the date of commencement of the project;

(3) Costs of on-the-job training for employees shall include wages or salaries of participating employees. Payments for on-the-job training shall not exceed the average of fifty percent of the total percent of the total wages paid by the employer to each participant during the period of training. Payment for on-the-job training may continue for up to six months from the date of the employer's capital investment;

(4) A provision which fixes the minimum amount of retained jobs credit from withholding, or tuition and fee payments which shall be paid for program costs;

(5) Any payment required to be made by an employer is a lien upon the employer's business property until paid and has equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale obtain the property subject to the remaining payments.]

[178.762. If an agreement provides that all or part of program costs are to be met by receipt of retained jobs credit from withholding, such retained jobs credit from withholding shall be determined and paid as follows:

(1) Retained jobs credit from withholding shall be based upon the wages paid to the employees in the retained jobs;

(2) A portion of the total payments made by the employer under section 143.221 shall be designated as the retained jobs credit from withholding. Such portion shall be an amount equal to two and one-half percent of the gross wages paid by the employer for each of the first one hundred jobs included in the project and one and one-half percent of the gross wages paid by the employer for each of the remaining jobs included in the project. If business or employment conditions cause the amount of the retained jobs credit from withholding to be less than the amount projected in the agreement for any time period, then other withholding tax paid by the employer under section 143.221 shall be credited to the Missouri community college retained job training fund by the amount of such difference. The employer shall remit the amount of the retained jobs credit to the department of revenue in the manner prescribed in section 178.764. When all program costs, including the principal, premium, and interest on the certificates have been paid, the employer credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the project. All funds appropriated by the general assembly from the Missouri community college job training retention program fund and disbursed by the division of workforce development for the project and other amounts received by the district in respect of the project and required by the agreement to be used to pay program costs for the project shall be deposited in the special fund. Amounts held in the special fund may be used and disbursed by the district only to pay program costs for the project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in investments which are legal for the investment of the district's other funds;

(4) Any disbursement in respect of a project received from the division of workforce development under sections 178.760 to 178.764 and the special fund into which it is paid may be irrevocably pledged by a community college district for the payment of the principal, premium, and interest on the certificate

issued by a community college district to finance or refinance, in whole or in part, the project;

(5) The employer shall certify to the department of revenue that the credit from withholding is in accordance with an agreement and shall provide other information the department may require;

(6) An employee participating in a project will receive full credit for the amount designated as a retained jobs credit from withholding and withheld as provided in section 143.221;

(7) If an agreement provides that all or part of program costs are to be met by receipt of retained jobs credit from withholding, the provisions of this subsection shall also apply to any successor to the original employer until such time as the principal and interest on the certificates have been paid.]

[178.763. 1. To provide funds for the present payment of the costs of retained jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the Missouri community college job retention training program to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed fifteen million dollars, unless an increased amount is authorized in writing by a majority of members of the Missouri job training joint legislative oversight committee. The certificates shall be marketed through financial institutions authorized to do business in Missouri.

The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

2. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

31 3. Before certificates are issued, the board of trustees shall publish once
32 a notice of its intention to issue the certificates, stating the amount, the purpose,
33 and the project or projects for which the certificates are to be issued. A person
34 may, within fifteen days after the publication of the notice, by action in the circuit
35 court of a county in the district, appeal the decision of the board of trustees to
36 issue the certificates. The action of the board of trustees in determining to issue
37 the certificates is final and conclusive unless the circuit court finds that the board
38 of trustees has exceeded its legal authority. An action shall not be brought which
39 questions the legality of the certificates, the power of the board of trustees to
40 issue the certificates, the effectiveness of any proceedings relating to the
41 authorization of the project, or the authorization and issuance of the certificates
42 from and after fifteen days from the publication of the notice of intention to issue.

43 4. The board of trustees shall make a finding based on information
44 supplied by the employer that revenues provided in the agreement are sufficient
45 to secure the faithful performance of obligations in the agreement.

46 5. Certificates issued under this section shall not be deemed to be an
47 indebtedness of the state or the community college district or of any other
48 political subdivision of the state, and the principal and interest on such
49 certificates shall be payable only from the sources provided in subdivision (1) of
50 section 178.761 which are pledged in the agreement.

51 6. The department of economic development shall coordinate the retained
52 jobs training program, and may promulgate rules that districts will use in
53 developing projects with industrial retained jobs training proposals which shall
54 include rules providing for the coordination of such proposals with the service
55 delivery areas established in the state to administer federal funds pursuant to the
56 federal Workforce Investment Act. No rule or portion of a rule promulgated
57 pursuant to the authority of this section shall become effective unless it has been
58 promulgated pursuant to chapter 536.

59 7. No community college district may sell certificates as described in this
60 section after July 1, 2014.]
61

 [178.764. 1. There is hereby established within the state treasury a
2 special fund, to be known as the "Missouri Community College Job Retention
3 Training Program Fund", to be administered by the division of workforce
4 development. The department of revenue shall credit to the community college
5 job retention training program fund, as received, all retained jobs credit from
6 withholding remitted by employers pursuant to section 178.762. The fund shall
7 also consist of any gifts, contributions, grants, or bequests received from federal,
8 private, or other sources. The general assembly, however, shall not provide for
9 any transfer of general revenue funds into the community college job retention
10 training program fund. Moneys in the Missouri community college job retention
11 training program fund shall be disbursed to the division of workforce
12 development pursuant to regular appropriations by the general assembly. The
13 division shall disburse such appropriated funds in a timely manner into the

14 special funds established by community college districts for projects, which funds
15 shall be used to pay program costs, including the principal, premium, and interest
16 on certificates issued by the district to finance or refinance, in whole or in part,
17 a project. Such disbursements by the division of workforce development shall
18 be made to the special fund for each project in the same proportion as the retained
19 jobs credit from withholding remitted by the employer participating in such
20 project bears to the total retained jobs credit from withholding remitted by all
21 employers participating in projects during the period for which the disbursement
22 is made. Moneys for retained jobs training programs established under sections
23 178.760 to 178.764 shall be obtained from appropriations made by the general
24 assembly from the Missouri community college job retention training program
25 fund. All moneys remaining in the Missouri community college job retention
26 training program fund at the end of any fiscal year shall not lapse to the general
27 revenue fund, as provided in section 33.080, but shall remain in the Missouri
28 community college job retention training program fund.

29 2. The department of revenue shall develop such forms as are necessary
30 to demonstrate accurately each employer's retained jobs credit from withholding
31 paid into the Missouri community college job retention training program fund.

32
33 The retained jobs credit from withholding shall be accounted as separate from the
34 normal withholding tax paid to the department of revenue by the employer.
35 Reimbursements made by all employers to the Missouri community college job
36 retention training program fund shall be no less than all allocations made by the
37 division of workforce development to all community college districts for all job
38 retention projects. The employer shall remit the amount of the retained job credit
39 to the department of revenue in the same manner as provided in sections 143.191
40 to 143.265.]

41
[178.892. As used in sections 178.892 to 178.896, the following terms
2 mean:

3 (1) "Agreement", the agreement, between an employer and a community
4 college district, concerning a project. An agreement may be for a period not to
5 exceed ten years when the program services associated with a project are not in
6 excess of five hundred thousand dollars. For a project where associated program
7 costs are greater than five hundred thousand dollars, the agreement may not
8 exceed a period of eight years. No agreement shall be entered into between an
9 employer and a community college district which involves the training of
10 potential employees with the purpose of replacing or supplanting employees
11 engaged in an authorized work stoppage;

12 (2) "Board of trustees", the board of trustees of a community college
13 district;

14 (3) "Certificate", industrial new jobs training certificates issued pursuant
15 to section 178.895;

16 (4) "Date of commencement of the project", the date of the agreement;

- 17 (5) "Employee", the person employed in a new job;
- 18 (6) "Employer", the person providing new jobs in conjunction with a
- 19 project;
- 20 (7) "Essential industry", a business that otherwise meets the definition of
- 21 industry but instead of creating new jobs maintains existing jobs. To be an
- 22 essential industry, the business must have maintained at least two thousand jobs
- 23 each year for a period of four years preceding the year in which application for
- 24 the program authorized by sections 178.892 to 178.896 is made and must be
- 25 located in a home rule city with more than twenty-six thousand but less than
- 26 twenty-seven thousand inhabitants located in any county with a charter form of
- 27 government and with more than one million inhabitants;
- 28 (8) "Existing job", a job in an essential industry that pays wages or salary
- 29 greater than the average of the county in which the project will be located;
- 30 (9) "Industry", a business located within the state of Missouri which
- 31 enters into an agreement with a community college district and which is engaged
- 32 in interstate or intrastate commerce for the purpose of manufacturing, processing,
- 33 or assembling products, conducting research and development, or providing
- 34 services in interstate commerce, but excluding retail services. "Industry" does not
- 35 include a business which closes or substantially reduces its operation in one area
- 36 of the state and relocates substantially the same operation in another area of the
- 37 state. This does not prohibit a business from expanding its operations in another
- 38 area of the state provided that existing operations of a similar nature are not
- 39 closed or substantially reduced;
- 40 (10) "New job", a job in a new or expanding industry not including jobs
- 41 of recalled workers, or replacement jobs or other jobs that formerly existed in the
- 42 industry in the state. For an essential industry, an existing job shall be considered
- 43 a new job for the purposes of the new job training programs;
- 44 (11) "New jobs credit from withholding", the credit as provided in
- 45 section 178.894;
- 46 (12) "New jobs training program" or "program", the project or projects
- 47 established by a community college district for the creation of jobs by providing
- 48 education and training of workers for new jobs for new or expanding industry in
- 49 the state;
- 50 (13) "Program costs", all necessary and incidental costs of providing
- 51 program services including payment of the principal of, premium, if any, and
- 52 interest on certificates, including capitalized interest, issued to finance a project,
- 53 funding and maintenance of a debt service reserve fund to secure such certificates
- 54 and wages, salaries and benefits of employees participating in on-the-job training;
- 55 (14) "Program services" includes, but is not limited to, the following:
- 56 (a) New jobs training;
- 57 (b) Adult basic education and job-related instruction;
- 58 (c) Vocational and skill-assessment services and testing;
- 59 (d) Training facilities, equipment, materials, and supplies;
- 60 (e) On-the-job training;

- 61 (f) Administrative expenses equal to fifteen percent of the total training
62 costs;
63 (g) Subcontracted services with state institutions of higher education,
64 private colleges or universities, or other federal, state, or local agencies;
65 (h) Contracted or professional services; and
66 (i) Issuance of certificates;
67 (15) "Project", a training arrangement which is the subject of an
68 agreement entered into between the community college district and an employer
69 to provide program services;
70 (16) "Total training costs", costs of training, including supplies, wages
71 and benefits of instructors, subcontracted services, on-the-job training, training
72 facilities, equipment, skill assessment and all program services excluding
73 issuance of certificates.]
74

2 [178.893. A community college district, with the approval of the
3 department of economic development in consultation with the office of
4 administration, may enter into an agreement to establish a project and provide
5 program services to an employer. As soon as possible after initial contact
6 between a community college district and a potential employer regarding the
7 possibility of entering into an agreement, the district shall inform the division of
8 job development and training of the department of economic development and
9 the office of administration about the potential project. The division of job
10 development and training shall evaluate the proposed project within the overall
11 job training efforts of the state to ensure that the project will not duplicate other
12 job training programs. The department of economic development shall have
13 fourteen days from receipt of the application to approve or disapprove projects.
14 If no response is received by the community college within fourteen days the
15 projects are approved. Any project that is disapproved must be in writing stating
16 the reasons for the disapproval. If an agreement is entered into, the district and
17 the employer shall notify the department of revenue within fifteen calendar days.
18 An agreement may provide, but is not limited to:

18 (1) Payment of program costs, including deferred costs, which may be
19 paid from one or a combination of the following sources:

20 (a) Funds appropriated by the general assembly from the Missouri
21 community college job training program fund and disbursed by the division of
22 job development and training in respect of new jobs credit from withholding to
23 be received or derived from new employment resulting from the project;

24 (b) Tuition, student fees, or special charges fixed by the board of trustees
25 to defray program costs in whole or in part;

26 (c) Guarantee of payments to be received under paragraph (a) or (b) of
27 this subdivision;

28 (2) Payment of program costs shall not be deferred for a period longer
29 than ten years if program costs do not exceed five hundred thousand dollars, or

30 eight years if program costs exceed five hundred thousand dollars from the date
31 of commencement of the project;

32 (3) Costs of on-the-job training for employees, shall include wages or
33 salaries of participating employees. Payments for on-the-job training shall not
34 exceed the average of fifty percent of the total percent of the total wages paid by
35 the employer to each participant during the period of training.

36 Payment for on-the-job training may continue for up to six months after the
37 placement of the participant in the new job;

38 (4) A provision which fixes the minimum amount of new jobs credit
39 from withholding, or tuition and fee payments which shall be paid for program
40 costs;

41 (5) Any payment required to be made by an employer is a lien upon the
42 employer's business property until paid and has equal precedence with ordinary
43 taxes and shall not be divested by a judicial sale. Property subject to the lien may
44 be sold for sums due and delinquent at a tax sale, with the same forfeitures,
45 penalties, and consequences as for the nonpayment of ordinary taxes. The
46 purchasers at tax sale obtain the property subject to the remaining payments.]
47

2 [178.894. If an agreement provides that all or part of program costs are
3 to be met by receipt of new jobs credit from withholding, such new jobs credit
4 from withholding shall be determined and paid as follows:

5 (1) New jobs credit from withholding shall be based upon the wages paid
6 to the employees in the new jobs;

7 (2) A portion of the total payments made by the employer pursuant to
8 section 143.221 shall be designated as the new jobs credit from withholding.
9 Such portion shall be an amount equal to two and one-half percent of the gross
10 wages paid by the employer for each of the first one hundred jobs included in the
11 project and one and one-half percent of the gross wages paid by the employer for
12 each of the remaining jobs included in the project. If business or employment
13 conditions cause the amount of the new jobs credit from withholding to be less
14 than the amount projected in the agreement for any time period, then other
15 withholding tax paid by the employer pursuant to section 143.221 shall be
16 credited to the Missouri community college job training fund by the amount of
17 such difference. The employer shall remit the amount of the new jobs credit to
18 the department of revenue in the manner prescribed in section 178.896. When
19 all program costs, including the principal of, premium, if any, and interest on the
20 certificates have been paid, the employer credits shall cease;

21 (3) The community college district participating in a project shall
22 establish a special fund for and in the name of the project. All funds appropriated
23 by the general assembly from the Missouri community college job training
24 program fund and disbursed by the division of job development and training for
25 the project and other amounts received by the district in respect of the project and
26 required by the agreement to be used to pay program costs for the project shall
be deposited in the special fund. Amounts held in the special fund may be used

and disbursed by the district only to pay program costs for the project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in investments which are legal for the investment of the district's other funds;

(4) Any disbursement in respect of a project received from the division of job development and training under the provisions of sections 178.892 to 178.896 and the special fund into which it is paid may be irrevocably pledged by a community college district for the payment of the principal of, premium, if any, and interest on the certificate issued by a community college district to finance or refinance, in whole or in part, the project;

(5) The employer shall certify to the department of revenue that the credit from withholding is in accordance with an agreement and shall provide other information the department may require;

(6) An employee participating in a project will receive full credit for the amount designated as a new jobs credit from withholding and withheld as provided in section 143.221;

(7) If an agreement provides that all or part of program costs are to be met by receipt of new jobs credit from withholding, the provisions of this subsection shall also apply to any successor to the original employer until such time as the principal and interest on the certificates have been paid.]

[178.895. 1. To provide funds for the present payment of the costs of new jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the Missouri community college job training program to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed twenty million dollars, unless an increased amount is authorized in writing by a majority of members of the Missouri job training joint legislative oversight committee. The certificates shall be marketed through financial institutions authorized to do business in Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

2. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being

24 refunded, in installments at different times or an entire issue or series at one time.
25 Refunding certificates may be sold or exchanged at any time on, before, or after
26 the maturity of the outstanding certificates to be refunded. They may be issued
27 for the purpose of refunding a like, greater, or lesser principal amount of
28 certificates and may bear a higher, lower, or equivalent rate of interest than the
29 certificates being renewed or refunded.

30 3. Before certificates are issued, the board of trustees shall publish once
31 a notice of its intention to issue the certificates, stating the amount, the purpose,
32 and the project or projects for which the certificates are to be issued. A person
33 may, within fifteen days after the publication of the notice, by action in the circuit
34 court of a county in the district, appeal the decision of the board of trustees to
35 issue the certificates. The action of the board of trustees in determining to issue
36 the certificates is final and conclusive unless the circuit court finds that the board
37 of trustees has exceeded its legal authority. An action shall not be brought which
38 questions the legality of the certificates, the power of the board of trustees to
39 issue the certificates, the effectiveness of any proceedings relating to the
40 authorization of the project, or the authorization and issuance of the certificates
41 from and after fifteen days from the publication of the notice of intention to issue.

42 4. The board of trustees shall determine if revenues provided in the
43 agreement are sufficient to secure the faithful performance of obligations in the
44 agreement.

45 5. Certificates issued under this section shall not be deemed to be an
46 indebtedness of the state or the community college district or of any other
47 political subdivision of the state and the principal and interest on such certificates
48 shall be payable only from the sources provided in subdivision (1) of section
49 178.893 which are pledged in the agreement.

50 6. The department of economic development shall coordinate the new
51 jobs training program, and may promulgate rules that districts will use in
52 developing projects with new and expanding industrial new jobs training
53 proposals which shall include rules providing for the coordination of such
54 proposals with the service delivery areas established in the state to administer
55 federal funds pursuant to the federal Job Training Partnership Act. No rule or
56 portion of a rule promulgated under the authority of sections 178.892 to 178.896
57 shall become effective unless it has been promulgated pursuant to the provisions
58 of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of
59 no force and effect and repealed; however, nothing in this section shall be
60 interpreted to repeal or affect the validity of any rule filed or adopted prior to
61 June 27, 1997, if such rule complied with the provisions of chapter 536. The
62 provisions of this section and chapter 536 are nonseverable and if any of the
63 powers vested with the general assembly pursuant to chapter 536, including the
64 ability to review, to delay the effective date, or to disapprove and annul a rule or
65 portion of a rule, are subsequently held unconstitutional, then the purported grant
66 of rulemaking authority and any rule so proposed and contained in the order of
67 rulemaking shall be invalid and void.

68 7. No community college district may sell certificates as described in this
69 section after July 1, 2018.]
70

[178.896. 1. There is hereby established within the state treasury a
2 special fund, to be known as the "Missouri Community College Job Training
3 Program Fund", to be administered by the division of job development and
4 training. The department of revenue shall credit to the community college job
5 training program fund, as received, all new jobs credit from withholding remitted
6 by employers pursuant to section 178.894. The fund shall also consist of any
7 gifts, contributions, grants or bequests received from federal, private or other
8 sources. The general assembly, however, shall not provide for any transfer of
9 general revenue funds into the community college job training program fund.
10 Moneys in the Missouri community college job training program fund shall be
11 disbursed to the division of job development and training pursuant to regular
12 appropriations by the general assembly. The division shall disburse such
13 appropriated funds in a timely manner into the special funds established by
14 community college districts for projects, which funds shall be used to pay
15 program costs, including the principal of, premium, if any, and interest on
16 certificates issued by the district to finance or refinance, in whole or in part, a
17 project. Such disbursements by the division of job development and training
18 shall be made to the special fund for each project in the same proportion as the
19 new jobs credit from withholding remitted by the employer participating in such
20 project bears to the total new jobs credit from withholding remitted by all
21 employers participating in projects during the period for which the disbursement
22 is made. Moneys for new jobs training programs established under the provisions
23 of sections 178.892 to 178.896 shall be obtained from appropriations made by the
24 general assembly from the Missouri community college job training program
25 fund. All moneys remaining in the Missouri community college job training
26 program fund at the end of any fiscal year shall not lapse to the general revenue
27 fund, as provided in section 33.080, but shall remain in the Missouri community
28 college job training program fund.

29 2. The department of revenue shall develop such forms as are necessary
30 to demonstrate accurately each employer's new jobs credit from withholding paid
31 into the Missouri community college job training program fund. The new jobs
32 credit from withholding shall be accounted as separate from the normal
33 withholding tax paid to the department of revenue by the employer.
34 Reimbursements made by all employers to the Missouri community college job
35 training program fund shall be no less than all allocations made by the division
36 of job development and training to all community college districts for all projects.
37 The employer shall remit the amount of the new job credit to the department of
38 revenue in the same manner as provided in sections 143.191 to 143.265.

39 3. Sections 178.892 to 178.896 shall expire July 1, 2028.]
40

[620.470. As used in sections 620.470 to 620.481, unless the context clearly requires otherwise, the following terms mean:

(1) "Department", the Missouri department of economic development;

(2) "Fund", the Missouri job development fund as established by section 620.478;

(3) "Industry", an entity the objective of which is to supply a service or the objective of which is the commercial production and sale of an article of trade or commerce. The term includes a consortium of such entities organized for the purpose of providing for common training to the member entities' employees, provided that the consortium as a whole meets the requirements for participation in this program;

(4) "Manufacturing", the making or processing of raw materials into a finished product, especially by means of large-scale machines of industry.]

[620.472. 1. The department shall establish a new or expanding industry training program, the purpose of which is to provide assistance for new or expanding industries for the training, retraining or upgrading of the skills of potential employees. Training may include preemployment training, and services may include analysis of the specified training needs for such company, development of training plans, and provision of training through qualified training staff. Such program may fund in-plant training analysis, curriculum development, assessment and preselection tools, publicity for the program, instructional services, rental of instructional facilities with necessary utilities, access to equipment and supplies, other necessary services, overall program direction, and an adequate staff to carry out an effective training program. In addition, the program may fund a coordinated transportation program for trainings if the training can be more effectively provided outside the community where the jobs are to be located. In-plant training analysis shall include fees for professionals and necessary travel and expenses. Such program may also provide assistance in the locating of skilled employees and in the locating of additional sources of job training funds. Such program shall be operated with appropriations made by the general assembly from the fund.

2. Assistance under the new or expanding industry training program may be available only for industries who certify to the department that their investments relate directly to a projected increase in employment which will result in the need for training of newly hired employees or the retraining or upgrading of the skills of existing employees for new jobs created by the new or expanding industry's investment.

3. The department shall issue rules and regulations governing the awarding of funds administered through the new or expanding industry training program. When promulgating these rules and regulations, the department shall consider such factors as the potential number of new permanent jobs to be created, the amount of private sector investment in new facilities and equipment, the significance of state funding to the industry's decision to locate or expand in

Missouri, the economic need of the affected community, and the importance of the industry to the economic development of Missouri.]

[620.474. 1. The department shall establish a basic industry retraining program, the purpose of which is to provide assistance for industries in Missouri for the retraining and upgrading of employees' skills which are required to support new investment. Such program shall be operated with appropriations made by the general assembly from the fund.

2. Assistance under the basic industry retraining program may be made available for industries in Missouri which make new investments without the creation of new employment.

3. The department shall issue rules and regulations governing the awarding of funds administered through the basic industry retraining fund. When promulgating these rules and regulations, the department shall consider such factors as the number of jobs in jeopardy of being lost if retraining does not occur, the amount of private sector investment in new facilities and equipment, the ratio of jobs retained versus investment, the cost of normal, ongoing training required for the industry, the economic need of the affected community, and the importance of the industry to the economic development of Missouri.]

[620.475. 1. The department shall establish an industry quality and productivity improvement program to help industries and businesses evaluate and enhance quality and productivity, and to encourage the private sector to develop long-range goals to improve quality and productivity and improve the competitive position of private businesses. The quality and productivity improvement program shall include seminars, workshops and short courses on subjects such as long-range planning, new management techniques, automated manufacturing, innovative uses of new materials and the latest philosophies of management and quality improvement. The program shall be available to existing Missouri manufacturing, distribution and service businesses.

2. The department may develop quality and productivity improvement centers at university and community college campuses throughout the state as the demand and need is determined. The department shall have the authority to contract with individuals who possess particular knowledge, ability and expertise in the various subjects which may be essential to the program's goals. Seminars, workshops, short courses and specific not for credit classes shall be developed on and off campus for personnel engaged in manufacturing, distribution and service businesses. At the discretion of the department, the University of Missouri and Lincoln University extension services, the continuing education offices of the regional universities and community colleges may be used for the promotion and coordination of the off-campus courses that are offered.

3. Activities eligible for reimbursement in the industry quality and productivity program shall include:

- 24 (1) The cost of seminars, workshops, short courses and specific not for
25 credit classes;
26 (2) The wages of instructors;
27 (3) Productivity materials and supplies, including the purchase of
28 packaged productivity programs when appropriate;
29 (4) Travel directly related to the program;
30 (5) Tuition payments to third-party productivity providers and to
31 businesses; and
32 (6) Teaching and assistance provided by educational institutions in the
33 state.
34 4. No industry receiving assistance under the industry quality and
35 productivity improvement program shall be reimbursed for more than fifty
36 percent of the total costs of its participation in the program.]
37

2 [620.476. Activities eligible for reimbursement by funds administered
3 through the new or expanding industry program and the basic industry retraining
4 program shall include: the wages of instructors, who may or may not be
5 employees of the industry; training development costs, including the cost of
6 training of instructors; training materials and supplies, including the purchase of
7 packaged training programs when appropriate; travel directly related to the
8 training program; tuition payments to third-party training providers and to the
9 industry; teaching and assistance provided by educational institutions in the state
10 of Missouri; on-the-job training; and the leasing, but not the purchase, of training
11 equipment and space.]

2 [620.478. 1. There is hereby established in the state treasury a special
3 fund to be known as the "Missouri Job Development Fund". The fund shall
4 consist of all moneys which may be appropriated to it by the general assembly
5 and also any gifts, contributions, grants or bequests received from federal, private
6 or other sources. Appropriations made from the fund shall be for the purpose of
7 providing contractual services through the department of elementary and
8 secondary education for vocational related training or retraining provided by
9 public or private training institutions within Missouri; and for contracted services
10 through the department of economic development for vocational related training
11 or retraining provided by public or private training institutions located outside of
12 Missouri; and for vocational related training or retraining provided on site, within
13 Missouri, by any proprietorship, partnership or corporate entity. Except for
14 state-sponsored preemployment training, no applicant shall receive more than
15 fifty percent of its project training or retraining costs from the development fund.
16 Moneys to operate the new or expanding industry training program, the basic
17 industry retraining program, the industry quality and productivity improvement
18 program and assistance to community college business and technology centers
19 shall be obtained from appropriations made by the general assembly from the
fund. No funds shall be awarded or reimbursed to any industry for the training,

20 retraining or upgrading of skills of potential employees with the purpose of
21 replacing or supplanting employees engaged in an authorized work stoppage.

22 2. The Missouri job development fund shall be able to receive any block
23 grant or other sources of funding relating to job training, school-to-work
24 transition, welfare reform, vocational and technical training, housing,
25 infrastructure development and human resource investment programs which may
26 be provided by the federal government or other sources.]
27

2 [620.479. The department is authorized to contract with other entities,
3 including businesses, industries, other state agencies and the political
4 subdivisions of the state, for the purpose of carrying out the provisions of
5 sections 620.470 to 620.481.]

2 [620.480. To efficiently carry out the responsibilities of the division of
3 job development and training and to improve job training program coordination,
4 the commissioner of administration shall authorize the division to directly
5 negotiate with and contract for job training and related services with
6 administrative entities designated pursuant to the requirements of the Job
7 Training Partnership Act and any subsequent amendments and any other agencies
8 or entities which may be designated to administer job training and related
9 services pursuant to any succeeding federal or state legislative or regulatory
10 requirements.]

2 [620.481. There is hereby created the "Missouri Job Training Joint
3 Legislative Oversight Committee". The committee shall consist of three
4 members of the Missouri senate appointed by the president pro tem of the senate;
5 three members of the house of representatives appointed by the speaker of the
6 house. No more than two of the members of the senate and two of the members
7 of the house of representatives shall be from the same political party. Members
8 of the Missouri job training joint legislative oversight committee shall report to
9 the governor, the president pro tem of the senate and the speaker of the house of
10 representatives on all assistance to industries under the provisions of sections
11 620.470 to 620.481 provided during the preceding fiscal year and the customized
12 job training program administered by the department of elementary and
13 secondary education. The report of the committee shall be delivered no later than
14 October first of each year. The director of the department of economic
15 development shall report to the committee such information as the committee
16 may deem necessary for its annual report. Members of the committee shall
17 receive no compensation in addition to their salary as members of the general
18 assembly, but may receive their necessary expenses while attending the meetings
19 of the committee, to be paid out of the joint contingent fund.]

2 [620.482. 1. The department may provide assistance, through
appropriations made from the Missouri job development fund, to business and

3 technology centers. Such assistance may not include the lending of the state's
4 credit for the payment of any liability of the fund. Such centers may be
5 established by Missouri community colleges, or a state-owned postsecondary
6 technical college, to provide business and training services in disciplines which
7 shall include, but not be limited to, environmental health and safety, industrial
8 electrical technology, machine tool technology, industrial management and
9 technology, computer consulting and computer-aided drafting, microcomputer
10 training and telecommunications training.

11 2. The department of economic development shall promulgate rules and
12 regulations as are necessary to implement the provisions of sections 620.470 to
13 620.482. No rule or portion of a rule promulgated under the authority of sections
14 620.470 to 620.482 shall become effective unless it has been promulgated
15 pursuant to the provisions of section 536.024.]
16

Section B. Because immediate action is necessary to secure adequate state revenue, this
2 act is deemed necessary for the immediate preservation of the public health, welfare, peace and
3 safety, and is hereby declared to be an emergency act within the meaning of the constitution, and
4 this act shall be in full force and effect upon its passage and approval.

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